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CUSTOMER RELATIONSHIP MANAGEMENT: A CASE STUDY OF BRITISH TELECOM BROADBAND CUSTOMERS

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ABSTRACT

Efforts made in extant literature to link the components of customer relationship management (CRM) strategy to its implementation are insufficient. This paper aims to provide insights on the core components of CRM and focuses on the 'trust' component in the British Telecom (BT) sales advisor-customer interaction process. The purpose is to improve the quality of the dialogue between customers and sales advisors. A case study of CRM implementation at British Telecom (BT), U.K. was carried out using open-ended, face-to-face interview methods and a survey questionnaire to collect data from key informants at both the strategic (managerial) and operative (sales advisors) levels. The empirical study focused on the quality of dialogue necessary for the successful implementation of a sustainable CRM strategy. Results show that relational benefits are directly linked to the presence or absence of the 'trust' component in the interaction with customers. Developing relationships should not be used as a tactical weapon but should represent a strategic approach to the buyer-seller exchange. Findings also show that successful CRM strategy requires a genuine relationship that is characterized by dimensions such as *trust*, reliability, shared history and values, mutual respect, caring, empathy, warmth, social support, and effective two way communications. Attempts made in extant literature to define CRM have been varied. A theoretical model on which future empirical analysis should be based on when conceptualizing CRM should consist of direct feedback from customers rather than on observation alone. CRM is a strategic business and process issue not merely a technology solution as is more often conceived in practice. The CRM process is a continuous learning process where information about the individual customer is transformed into a customer relationship. The richness of dialogue during interaction is the stepping stone of CRM. An integrative framework that can help facilitate the successful implementation of a sustainable CRM strategy in the telecommunication industry. The study links the components of CRM strategy with the key dimension of its implementation. The paper contributes by anchoring itself as a focal point from among the diverse existing literature on the subject matter.

KEYWORDS

Customer relations, Customer service management, Cross-functional integration, Management strategy, Quality of dialogue and Trust, Relationship marketing.

INTRODUCTION

Over the period, numerous management concepts have emerged and soon became buzzwords in the academic circles since they inherit exciting possibilities of changing the fundamentals of an organisation and how it operates. Despite their meteoric rise, they run a risk of fading into obscurity because they fail to fulfil what they promise. Customer Relationship Management (CRM) is one concept that has caught the imagination and interest of academicians and marketers across the globe. One of the industries to adopt and embrace CRM is the telecommunication industry. British Telecom (BT) has invested heavily into its CRM tools and applications. The interaction between a BT customer and a BT Sales Advisor is the focal point of CRM within BT. Although many researches and studies have been done on the successes and failures of CRM, there is still a gap in the understanding of the dynamics of a conversation between a customer and a sales advisor. The quality of dialogue is the focus of this research paper with emphasis on the 'trust' factor that is generated between the interacting parties. The authors have striven to critically analyse the 'richness' of dialogue to uncover how it affects the relationship BT has with its customers.

An analogy can be established between an excellent Customer Relationship Management (CRM) of a company and a successful marriage. Both require a recipe to achieve success. There has to be mutual affection and respect, both parties should evolve with time, recognize and meet each other needs and wants and most importantly, each should feel valued and cared for. Like some relationships, the practice of CRM may also head towards disaster but at times this does tend to strengthen the bond over time. British Telecom (BT) has been market leader in the UK broadband industry but despite the efforts made to keep its customer relationships strong, BT is feeling the bite of competition. Many of its broadband customers are still continuing to sign up with competitor providers.

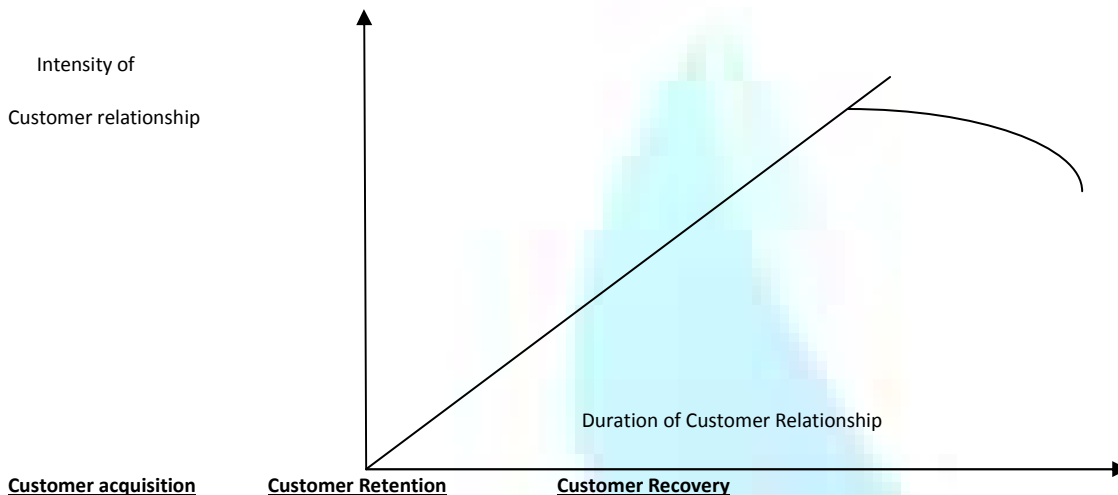
There are various aspects of CRM but the authors focus on exploring the touch point where a customer interacts with a sales advisor and the dynamics of such interaction. Whether the interaction strengthens the bond between the customer and the company or whether the interaction disengages the customer from the company is of vital importance. It is at this interface point, the moment of bonding or disengagement, that a customer is gained, retained or lost. Having said that it is to be noted that customer relationship can not be developed overnight as it is an on-going process. Peppers and Rogers (2004) state that in order to build customer value through managed relationships, the company must engage in a four-step process called IDIC, an acronym for identifying customers, differentiating them, interacting with them and customizing for them. These steps represent the mechanics of a genuine relationship between a BT sales advisor and a customer, which by definition; will involve mutual and customer-specific action. The element of trust between a sales advisor and a customer is an important ingredient of a successful sale and of customer satisfaction. This research paper attempts to explore these aspects of interaction of CRM process, customer behaviour and relationship marketing.

Customer relationships have been increasingly studied in academic marketing literature (Berry 1995; Morgan and Hunt 1994; Sheth and Parvatiyar 1995). Early relationship marketing aimed at obtaining information about the customers' preferences and analysing information that was stored in databases. This evolved into "one-to-one marketing" which implies that, through interaction and processing, companies are able to create more customized offers. CRM was developed to help companies secure and manage these one-to-one interactions and thereby contribute towards a profitable and long-term relationship with customers.

To get insight into customer relationship management, it is imperative to first understand its three components; customers, relationships and the management of relationships. Some people may find it difficult to associate the commercial interaction between a company and its customers with the term 'relationship'. Barnes (2001) argues that if we were to truly understand the word *relationship* in our modern approach to business building, and in the context of long-term customer loyalty, then it is critical that organisations understand what relationships are all about. Czepiel (1990) presents one of the best perspectives and states that a market place based relationship is "the mutual recognition of some special status between exchange partners". Such a perspective reflects that a relationship can exist between customers and enterprises, customers and brands, and that the customer has to *feel* the existence of the 'special status'. Barnes (2001) highlights a very important point that long term satisfaction and loyalty has absolutely nothing to do with products or prices. It has a great deal more to do with how the customer is treated, what he or she goes through, and ultimately how he or she feels about dealing with the organisation. This is where 'understanding the customer' meets 'relationships'. Fournier (1998) describes the emotional connection between customer and the brands they use regularly in

vivid detail. She argues that to qualify as such, a relationship must be two-way instead of one-way. Therefore, a true relationship with a brand, which doesn't-can't-respond to a customer or one that it is not aware of, is not strictly a relationship, per se. This is really a preference or proclivity, no matter what we call it. The lesson that organisations can learn is that unless they understand how customers develop such relationships and what customers get from the relationship, those firms will not begin to understand how to build on them. Instead, they can be tempted into falsely believing that an organisation can simply decide to have a relationship with a customer, *whether or not the customer wants one*. The fallacy is that customer relationships can be built or even *imposed* on the customer through the creation of customer databases. This holds true especially for broadband service providers who think they have a relationship with a customer because they have succeeded in locking the customer into a 12- or 18-month contract. Such association between an organisation and their customers is not considered as a relationship in the customer's mind. This research paper will explore how and when a customer 'feels' the relationship is being formed. Bruhn (2003) stated that customer relationships are dynamic in nature, resulting in various phases in the relationship that can be presented and analysed uniquely through the life cycle concept. A Relationship Life Cycle has three core phases; acquisition, retention and recover. Please see figure 1 below:

FIGURE 1: CUSTOMER RELATIONSHIP LIFE CYCLE PHASES (ADAPTED FROM BRUHN, 2003)



- | | | |
|-----------------------------|---------------------------|--------------------------|
| Customer acquisition | Customer Retention | Customer Recovery |
| ▪ Initiation Phase | ▪ Growth phase | ▪ Imperilment phase |
| ▪ Socialisation phase | ▪ Maturity Phase | ▪ Dissolution |

As it is evident from the above diagram, the intensity of a relationship is directly proportional to the duration of the customer relationship and if the changing needs and wants of a customer are not met as time progresses then customer may enter the imperilment and dissolution phase. Here customer begins to mull over the idea of not using BT's products and may consider switching over to BT's competitors such as Virgin, Sky or Tiscalli. Please see table 1 for the overview of phase-driven relationship marketing instruments).

TABLE 1: OVERVIEW OF PHASE-DRIVEN RELATIONSHIP MARKETING INSTRUMENTS

Phases		Tasks	Instruments
CUSTOMER ACQUISITION	Initiation Phase (BT marketing & interaction with sales advisors)	Persuasion	<ul style="list-style-type: none"> • Direct assurance • Indirect assurance • Direct substantiation of recommendations • Indirect substantiation of recommendations
		Stimulation	<ul style="list-style-type: none"> • Direct short-term stimulation • Indirect short-term stimulation • Direct long-term stimulation • Indirect long-term stimulation
	Socialization Phase (Customer uses BT Broadband)	Acclimatization	<ul style="list-style-type: none"> • Acclimatisation directly through the output • Acclimatisation indirectly through the output
	Growth Phase (Max. utilization of customer potential, cross selling of more products)	Customization	<ul style="list-style-type: none"> • Customer integration • Value-added services
Cross selling		<ul style="list-style-type: none"> • Quality-focused cross selling • Price-focused cross selling • Quality-focused purchasing frequency increase • Pricing-focused purchasing frequency increase 	
CUSTOMER RETENTION	Maturity Phase (Loyal customer, full potential realized)	Building switching barriers	<ul style="list-style-type: none"> • Economic switching barriers • Technical switching barriers • Contractual switching barriers
		Efficiency improvement	<ul style="list-style-type: none"> • Standardization • Sales volume increase • Taking full advantage of willingness to pay
	Imperilment Phase (Customer mulls over not using the BT Broadband anymore)	Error rectification	<ul style="list-style-type: none"> • Product policy • Promotion policy • Pricing policy • Place policy
Restitution		<ul style="list-style-type: none"> • Product policy • Promotion policy • Pricing policy • Place policy 	
CUSTOMER RECOVERY	Termination/Abstinence Phase (Customer cancels BT Broadband contract and switch to other providers)	Persuasion	<ul style="list-style-type: none"> • Added value in products • Added value in promotion • Added value in pricing • Added value in the place
		Stimulation	<ul style="list-style-type: none"> • Recovery offers • Product related • Price related • Place related • Information through promotion

Source: Adapted from Bruhn (2003) for BT broadband customers.

Peppers and Rogers (2004) argue that the dynamics of the customer-enterprise relationship has changed dramatically over time. "Instead of selling one product at a time to as many customers as possible in a particular sales period, the one-to-one marketer uses customer databases and interactive communication tools to sell one customer as many products and services as possible, over the entire lifetime of that customer's patronage. This is a strategy that requires a business to manage customers individually rather than just managing its products, sales channels, and programs" (Peppers & Rogers, 1997, p. xxiii). They further argue that the most successful company will not be the one with the most customers, but the one that has the most knowledge about its individual customer's needs. The aim is to keep customers longer and increase the level of business with them so that the lifetime value will be high. In order to compete in a truly customer-driven manner, the one-to-one company must integrate its business functions around satisfying the individual needs of each individual customer – not just marketing, customer service, and sales and channel management as well as production, logistics, and financial measurement and metrics. With the help of information technology the company can create a sophisticated database for one-to-one customer management needs. A company must be able to see whether or not a customer is valuable and, if so, whether or not they can remain loyal to the company. The company sells products or services and, in the interactive age, sales are secured by finding the benefits and services for each customer that is valued by the customer (Peppers & Rogers, 1997). They elaborate to state that in order to build customer value through managed relationships, the company must engage in a four- step process called IDIC, an acronym for identifying customers, differentiating them, interacting with them and customizing products and services for them.

Later, Pepper and Rogers (2004) stated that setting up and managing individual customer relationship can be broken into four inter-related implementation tasks. Implementation is based on the unique, customer-specific and iterative character of such relationships. This IDIC model is discussed in detail:

1. **Identify Customers:** The first task in setting up a relationship is to identify as an individual, the party at the other end of the relationship. An organisation must be able to *recognize* a customer when he or she comes back, in person, by telephone, online, or however else the contact is made. Moreover, organisations need to 'know' each customer in as much detail as possible-including their purchasing habits, preferences, and other characteristics that make each customer unique. For example, when a BT sales advisor interacts with a customer, they can call up when did the person called last, the duration of loyalty to, what kind of products they use, whether any interest in newer technologies have been expressed. Such database information can help the sales advisor to steer the course of conversation towards greater customer loyalty and further sales.
2. **Differentiate customers:** Knowing how customers are different allows a company to focus its resources on those customers who will bring in the most value for the enterprise and to devise and implement customer-specific strategies to satisfy individually different customer needs. Previous researchers have suggested that a better understanding of the value of the customer should lead to changes in the way these customers are managed (Mulhern 1999; Niraj, Gupta, and Narasimhan 2001; Reinartz, Thomas, and Kumar 2005).
3. **Interact with Customers:** Enterprises must improve the effectiveness of their interaction with customers. Each successive interaction with a customer should take place in the context of all previous interactions with that customer. A conversation should pick up where the last one left off. For example, if a

BT customer calls to report a technical fault, a sales advisor must mention that in the next ongoing conversation for feedback purposes and to gain customer satisfaction. Customers tend to feel valued and cared for by such an approach.

4. **Customize treatment:** To engage a customer in an ongoing Learning Relationship, an enterprise needs to adapt its behaviour to satisfy the customer's needs as are expressed. The traditional business organizes and measures itself on a "lateral" basis. The business goes from quarter to quarter, year to year, measuring sales revenue and profit laterally across different business units and over the entire enterprise. However, when a company engages an individual customer in a relationship, the relationship develops longitudinally, through time, with a focus on this single customer. It is characteristically different today than it was previously, and it evolves as time goes on. This is the essence of the Learning Relationship concept and customers derive satisfaction from such personalized service.

Where a genuine customer relationship exists, there is more than a functional connection; it is emotionally charged. Barnes (2001) states that it is characterized by dimensions such as *trust*, reliability, shared history and values, mutual respect, caring, empathy, warmth, social support, and effective two way communications. In fact where a genuine relationship exists, customers often knowingly and willingly pay *higher* prices for the satisfaction that comes from the relationship. A relationship of trust is one in which both parties feel 'comfortable' by continuing to interact and deal with each other. The element of trust is an indispensable component of a healthy, growing relationship between a company and its customer.

Green (2004) argues that role of trust in the economic equation is rarely noticed. In fact trust is not so easily understood and the process required to generate a customer's trust is not necessarily simple. He suggests a trust equation which is as follows:

$$\text{Trust} = (C+R+I)/S$$

Where;

C = *credibility*. Credibility has to do with words such as; 'I can trust what he says about....' Other related terms include *believability* and *truthfulness*.

R = *reliability*. Reliability has to do with actions such as; 'I can trust that he'll do about.....' Other related terms include *predictability* and *familiarity*.

I = *intimacy*. Intimacy has to do with a perceived safety factor shown by feelings concerned with; 'I can trust talking with him about....' *Security* and *integrity* are related with intimacy.

S = *self-orientation*. Self-orientation has to do with focus as is evidenced when a customer believes; 'I can trust that he is focused on me...' A low level of self-orientation on the part of the organisation enhances the customer's trust, while a high level of self-orientation shown by the company on itself will destroy trust. Self-orientation appears in many guises- selfishness, self-consciousness and self-pre-occupation. The first two components, credibility and reliability, operate mainly in rational realm whereas second two, intimacy and self-orientation, are largely non-rational¹.

Green (2004) further argued that the power of the fourth component - self orientation - is greater than the other three components, as is evidenced by its solo position as the denominator. A customer who perceives low credibility may sense empty words from the sales staff. If the customer senses a low level of reliability, he or she may believe the offer is 'flaky' and if a low level of intimacy is sensed then the organisation may appear too technical. All these destroy the elements of trust.

The trust equation of Green (2004) allows us to see more clearly the trust-destroying nature of many activities that organisations engage in when they install CRM technologies without adopting an appropriately customer-oriented business philosophy. The company may have the best of intentions but the results can be counterproductive without trust. For example, the BT CRM system may give a sales advisor confidence that a particular product is right for a given customer, but if the sales advisor proceeds to 'sell' the product before the customer feels adequately listened to, then he or she will not buy, even if purchasing the service is the 'rational' thing to do. Jumping to conclusions before the customer feels listened to combines the two major trust violations. In the same context, Peppers and Rogers (2004) argue that a framework for understanding customer needs can be best understood as a continuum. At the very beginning of the continuum, customer needs are not understood and a company ignores the differences inherent in customers. At the other end of the continuum is a true customer-focused orientation, in which the needs of each customer are known. It is in the large area in between these extremes that the learning about customer needs occurs as an ongoing process. To develop trust, an organisation must address all four components of trust in the customer's mind. Issues of credibility, reliability, intimacy and self-orientation must exist. Although CRM is part of marketing's new dominant logic (Day, 2004), it is more likely to fail than to deliver any business results (Zablah, Bellenger, and Johnston 2004). Worse still, failed implementation may actually damage customer relationships (Rigby, Reichheld, and Scheffer, 2002). CRM has become a buzzword in the telecommunication industry but it suffers from being poorly understood, improperly applied and incorrectly measured.

METHODOLOGY

Given the exploratory nature of this paper, the empirical data needed to build the case study (Yin, 1981, 2002) was acquired by way of multiple data collection techniques. Methodological triangulation (Denzin, 1978) facilitated the use of multiple data collection methods consisting of open-ended, face-to-face interviews and completed questionnaires by key informants. The key informants (Kumar et al., 1993) for the study were 48 employees at both strategic (managerial) and operative levels (sales advisors) who had sufficient knowledge of the phenomenon being investigated and who were in appropriate positions in BT to provide first hand information. The three data collection methods specified above will focus on components of customer relationship as discussed in the literature earlier on and the current CRM practices at BT. In addition, this empirical study will also focus on the key dimensions of relationship strategy implementation within BT. The strategy implementation framework consists of technological and managerial aspects necessary for successful implementation of a sustainable CRM strategy.

AIMS AND OBJECTIVES

The study analyses the interaction of customer and sales advisor from the prism of CRM. The research, therefore, covers the emotional component as well as the physical component under study. According to Marshall and Rossman (1999), research is a process of trying to gain a better understanding of human interactions. The primary aim of this research is to analyze the importance and the quality of sales advisor-customer interaction and its dynamics. In order to fulfill this objective, the research will attempt to test the following hypotheses that have been derived from the review of literature.

Hypothesis 1: Trust component and its drivers positively affect the customer relationship.

Hypothesis 2: Quality of dialogue and/or conversation can make or break the relationship with customers.

Hypothesis 3: A dialogue and/or conversation with both functional and emotional connection can generate higher customer satisfaction.

There are a number of advantages to applying both qualitative and quantitative methods in this CRM-based research. The one-to-one interviews were conducted at the Stoke-on-Trent office (in the U.K.) where the goal was to obtain in-depth information about how the sales advisors perceive the value of conversation and interaction with customers; how they develop and foster trust during the interaction and how they personalize the products and make customers feel valuable to BT.

To collect the completed questionnaires, the sales advisors were contacted at BT's office in Stoke-on-Trent. The sales advisors and the managers recorded their feedback by filling in preset questionnaires. The key aspects covered in the questionnaire included the different dimensions of CRM based on the literature review and was designed to test the above mentioned hypotheses. Several open-ended questions were asked during the interviews. Qualitative interviews of four managers have helped to enrich the data collected as it provided a management perspective for the research. The study yielded a number of conclusions about the importance of 'trust', 'one-to-one marketing', 'relationship marketing' and quality of conversation with customer at the first point-of-contact. To add rigour to the argument, interviews with customer services managers and sales advisors that deal with high level complaints at BT's main U.K. office were also carried out.

¹ Charles Green's use of terms 'rational' and 'non-rational' closely parallel the more widely used accepted terms 'cognitive' which refers to 'thinking', and 'affective', which refers to 'feeling'. These terms may also be seen as reflecting the current controversy about rational versus emotional processes.

DATA ANALYSIS

The grounded approach for data analysis was used when interpretations of the findings was carried out. A total of 50 questionnaires were distributed to BT sales advisors and managers. Respondents included sales advisors, sales managers, customer services advisors and complaints managers. A total of 48 questionnaires were returned and used for research. This represents a response rate of 96 percent. The responses to all the questions were recorded manually. On the basis of their answers, pie charts and bar graphs were utilized to depict the research data. The quantitative method used has allowed the researchers to compile the data from the respondents in the numerical format, thus achieving a high level of reliability and accuracy. The data was analyzed using the SPSS (Statistical Package for the Social Sciences) to perform a descriptive statistical analysis. The data was analyzed by prioritizing the questions according to the different dimensions of CRM as highlighted in the literature review and the set hypotheses. The results for each set of questions were consolidated in separate excel-sheets.

EVALUATING THE HYPOTHESIS

Hypothesis 1 - Trust component and its drivers positively affect the customer relationship.

The findings that pertain to this hypothesis were extracted from the results of the questionnaire survey. As evident from the findings derived from the questionnaire, a good customer relationship is directly proportional to the trust component and its drivers; credibility, reliability, intimacy and self-orientation (Green (2004) the trust equation). The findings of the results collated from the questionnaire suggest that if a customer finds a conversation to be reliable, credible and intimate, trust is developed in between a sales advisor and a customer and it strengthens the customer relationship with BT. The findings also reflected that once trust has been established, the customer does not mind even paying a little extra to get the services as he/she wants as the customer has total trust in the sales advisor concerning what was explained and set out by the sales advisor. By signing a contract, the customer is now looking forward to the same positive experience with BT that he/she had with the sales advisor. This hypothesis has tested positive. There is a clear indication that the trust component and its drivers positively affect the customer relationship.

Hypothesis 2 – The quality of dialogue and/or conversation can make or break the relationship with a customer.

It was strongly agreed by most of the sales advisors, managers and complaint handling team members that the quality and the richness of dialogue between the sales advisor and the customer is crucial if BT aims to strengthen the relationship. It was also evident from the findings that with so much to choose from the marketplace, customers do not take long to switch over to another provider (as suggested by Bruhn (2003)) during the customer maturity phase of the relationship life cycle). Even one bad conversation can potentially damage the relationship. On the other hand, if the sales advisor creates a warm rapport with the customer and wins his/her trust, the relationship is strengthened and customer loyalty is enhanced. A high quality dialogue and/or conversation also results in long term satisfaction and loyalty which has absolutely nothing to do with products or prices. How the customer is treated, what he or she goes through, and ultimately how he or she feels about dealing with BT is crucial to the relationship. This is where 'understanding the customer' meets 'relationships'. Thus, this hypothesis has tested positive, indicating that the quality of dialogue and/or conversation can make or break the relationship with customers.

Hypothesis 3 - A dialogue and/or conversation with both functional and emotional connection generates higher customer satisfaction

Results from the findings demonstrated that it was strongly agreed by all sales advisors and managers that a dialogue and/or conversation has to have both functional and emotional connection if it is to generate satisfaction. Czepiel (1990) supported this finding and stated that a customer has to feel the 'special status' with an element of empathy and care in a dialogue. Any dialogue which is without intimacy, credibility and reliability will not generate trust and the customer will not be satisfied if he or she feels that the sales advisor has not listened to his or her needs and requirements. Unless there is warm rapport with the customer, sales advisor's offerings may sound disingenuous even if he or she is just conducting a routine functional conversation. Some customers felt that the sales advisor was merely reading from a script. Without any real connection, the customers did not find the dialogue to be trustworthy. On the other hand, it was evident from the findings that if a sales advisor is able to relate to the customer and their needs on an emotional level, the customer will have a pleasant experience. When this occurs, the customer is often willing to accept and take up the product offer as recommended by the sales advisor. Hence, the hypothesis has tested positive and it indicates that dialogues and/or conversations with both functional and emotional connection do generate higher customer satisfaction.

CONCLUSION

The literature review highlighted that there have been many academic researches and studies on CRM and that most researches have focused mostly on organizational (internal to the company) factors to explain the success/failure and general performance of a CRM system and strategy. Much less research has been conducted to focus on the way customers react to a company's CRM strategy, especially on sales advisor- customer interaction and the quality of that dialogue. The customers' perspectives have been studied in relationship marketing literatures are the benefits that a customer may expect and receive from a relationship with a company. However, these extensive literatures have not always linked these relational benefits directly to the presence or absence of the 'trust' component in the interaction. This research paper has attempted to fill that gap in the academic literature of CRM and highlight the importance of 'quality dialogue' and 'trust' generated in the conversation was proposed by Green (2004).

It is evident in the findings that one-to-one relationship marketing is currently the need of the hour, especially when BT's market share of broadband services is being fast eroded by competitors. Over ninety percent of advisors and managers agreed that relationship marketing is the way forward. Price cutting is not the only solution to lure customers back. If customers are treated well and BT meets their expectations, then customers are willing to pay extra when they trust the service provider. This is a very important finding as it shows that if CRM practices can be improved, customers not only will stay loyal but will also pay more for additional services. Loyalty has less to do with price reduction or products than with how the customer is treated when he or she calls or contacts BT. Eighty four percent of advisors and managers agreed to the finding. The most successful company will not be the one with the most customers, but the one that has the most knowledge about its individual customer's needs and provides it. The aim of BT's CRM policy is to keep customers longer and increase the level of business with its customers so that the lifetime value will be high. Also, where a genuine customer relationship exists, it is apparent that there is more than a functional connection; it is highly emotional one. A genuine relationship is characterized by dimensions such as trust, reliability, shared history, shared values, mutual respect, caring, empathy, warmth, social support, and effective two way communications. Ninety four percent of advisors and managers agreed that while organizations like BT stress the need for customer satisfaction, and have overall strategic intent to acquire and retain their customers through high-quality interfaces (the "moments of truth"), the quality of interaction should be given a high priority. Sometimes under the pressure of meeting sales targets and achieving greater revenue, sales advisors tended to focus merely on the 'selling' part of a conversation. Seventy five percent of advisors agreed to this finding as identified pressure of meeting targets as the main reason for such behavior. However, this study has shown that if they focus on the richness of dialogue and treat customers with empathy, warmth, care and listen to their needs, a better opportunity exists not only to just sell but also strengthen the relationship with the customer and deepen the customer's loyalty (as is supported by the Peppers and Rogers (2006) study).

Since the needs and wants of a customer is dynamic in nature and keeps changing with the time, a company should be able to meet the customer's expectations and this can be achieved by learning more about the customer with each interaction. CRM is not just about information technology but it is a comprehensive business strategy. Another myth that has been exploded from this research is that in one-to-one marketing, market segmentation is no longer that meaningful. In fact, customer relationship strategy begins with segmentation and ends with the individual customer. BT can take advantage of its sophisticated database to create segmentation by customer types and then customize the products and services to cater to individual needs. In the context of a customer relationship strategy, BT can ask itself some probing questions. For example; can customers be meaningfully segmented in terms of the drivers of their attraction and loyalty to a firm? Are some customers more interested in having a close relationship with BT and, hence, are more likely to respond favourably to one-to-one marketing efforts? What level of relationship is appropriate for what customer type? How do customers want to be communicated with? Depending on the answers to these types of questions, it may be possible to identify the different relationship requirements of BT customers so that better and a more effective customer relationship management can be achieved.

From the interviews and discussions with participating sales advisors and managers, it was noted that to simply capture and store customer data was inadequate. The impetus here is to make relevant customer data readily accessible to BT sales advisors through on-line retrieval systems. This can be referred to as the "democratization of data". The authors gathered from a growing chorus of sales advisors that they were drowning in customer data whilst being simultaneously starved of relevant customer information required to conduct effective day-to-day interaction with customers. One part of the problem is that front-line employees, namely the sales advisors, often do not understand their role as a "relationship managers". They have been trained to be polite to customers, to listen to them, and to be empathetic. Nobody has said "you are a relationship manager and this is what it entails". Furthermore, they are mainly incentivized to reduce average handling time (AHT) and to turn every customer interaction into a cross-sell or an up-sell. Under such circumstances, it not surprising that they view much of the customer data provided through CRM as irrelevant to their jobs and just clutter. BT needs to inculcate the importance of CRM and encourage their sales advisors to incorporate and use relevant customer data when they interact with the individual customer to improve the quality of the dialogue and/or conversation to foster and sustain customer relationships towards making every single transaction have the potential of making a life time relationship (as suggested by Bruhn (2003)).

The study brought out three focal points which have long term implications for the success of BT's CRM strategy.

- The trust component and its drivers positively affect customer relationships.
- The quality of dialogue and/or conversation can make or break the customer relationship.
- A dialogue and/or conversation with both functional and emotional components generate higher customer satisfaction.

These three simple statements have profound implications, Should they be integrated into BT's CRM strategies, it can help BT gain a huge competitive advantage. A close, positive, two-sided relationships in which both partners respect and commit to one another has the potential to lead to a long term relationship and a competitive advantage.

The question is: "Is BT really the listening company it says it is?"

Furthermore, this work opens up several opportunities for further research. This research paper has explored the importance of the 'trust' component as well as the functional and emotional element in dialogue with customers. The results show that their effect on customer relationships is positive and of benefit. Perhaps other variables like customer attitude, prejudice and bias are important antecedents in the quality of interaction. Further research could investigate these variables. Also, the mediating role of personal characteristics and situational factors on customers' perceptions and expectations of their relationship with a service company such as BT are still largely unexplored research issues. Finally, further research could aim at developing decision support type models (using data available in customer databases and data from questionnaires) that would demonstrate the impact of CRM strategies.

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INFLUENCE OF ORGANIZATIONAL STRUCTURE, SOCIAL INTERACTION AND DEMOGRAPHICAL VARIABLES ON ORGANIZATIONAL COMMITMENT: AN EMPIRICAL ASSESSMENT OF TWO LEVELS OF EMPLOYEES OF SAUDI ARABIA

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ABSTRACT

The Study investigates the influence of organizational structure, social interaction and demographic variables on organization commitment among employees, selected from various ministries of Saudi Arabia. This was for the purpose of ascertaining the most influential variables on employees' commitment to organizational goal achievement in Saudi Arabia. The sample consisted of 1,022 employees of Saudi Arabia located at Riyadh. Research questions and instruments containing organizational commitment, organizational structure variables, social interaction variables and demographical variables were used to gather the information about the employees. Multiple regression and step wise regression methods were used to analyze the data. The results revealed that (i) organizational structure dimensions such as centralization and formalization and supervisory behaviour and co-worker relationships as the social interaction dimensions were found most significant influential variables with organizational commitment in both the levels of employees (ii) education was found to be most significant factor in low level employees whereas, education and age were found to be significant affect with organizational commitment in middle level of employees as demographical variables. The implications of these findings discussed to increase the level of commitment of employees to their organization.

KEYWORDS

Commitment, organizational structure, social interaction, education, age.

INTRODUCTION

The age of predictability is over and the age of uncertainty has begun. In today's fast changing environment the future depend upon employees' level of commitment in all types of organizations in the society. Success and prosperity in all aspects of life lie not in machines or patents, but in people who will improvise and invest themselves personally in their organizations.

Unfortunately employees' commitment and attachment to their employing also changed as a result of societal and external environmental changes in the past several decades. The values and attitudes of our predecessors towards social, political, and ideological issues as well as work itself are different from many present values and attitudes. Consequently, employees' work ethic, aspiration levels, commitment and attitudes towards authority have changed dramatically during the past few years.

The shift of employees' values and attitudes towards their jobs and organizations became one of the most significant issues recently addressed by theorists and practitioners. Organizational commitment as a result has become an important and useful construct in addressing and explaining such dilemmas in organizational research and management practices. Both public and private organizations started paying more attention to the concept of organizational commitment especially when they began facing serious behaviour problems, such as absenteeism, tardiness, turnover and low level of production and effectiveness.

In general, the concept of organizational commitment has received a great deal of attention in western countries. In Saudi Arabia, the concept of organizational commitment has been ignored, especially in the public sector; therefore, conducting such research seems significant and worthwhile. In the proposed research, the concept of organizational commitment would be treated as dependent variable in attempting to account for the causes or antecedents of organizational commitment. An understanding of the antecedents of commitment would lead to identifying organizational practices which influence the level of commitment as experienced by members of the organization.

REVIEW OF LITERATURE

The definition and concept of organizational commitment varies in the literature. Prior to the late 1970's there was little consensus about the meaning of organizational commitment (Balfour & Wechsler, 1990; Becker, Randal, and Riegel, 1995; Meyer and Allen, 1991 and Dunham *et al.* 1994). In fact, there were perhaps as many definitions of organizational commitment as the researcher who studied it. Like many concepts studied in the social sciences, organizational commitment has been defined differently by researchers who viewed it according to the perspectives of their various disciplines. For instance, Mowday *et al.* (1982) found ten distinct definitions in different studies on organizational commitment. Brown (1969) believes that organizational commitment occurs 'when an individual accepts influence, because he wants to maintain a satisfying, self defining relationship to another person or group'. Sheldon (1971) however, views commitment as 'an attitude or an orientation toward the organization, which links or attaches the identity of the person to the organization'. Furthermore, Weiner (1992) refers the word commitment as the 'sense of being bound emotionally or intellectually to some course of action'. However, organizational commitment has varied in organizational context and most commonly defined the term organizational commitment by Porter *et al.* (2004) is 'the identification with an organization and acceptance of its goals and values as one's own'.

Due to fast pace of changes in every spheres of life in the present contemporary world forced to acquaint to get the new knowledge pertaining to growth of the economy, human resources are responsible to increase the efficiency and effectiveness in the performance of their works. Therefore, organizational structure is a way to carry out the responsibility and power are allocated, and work procedures are carried out, among organizational members (Blau, 1970; Dewar and Werbel, 1979; Germain, 1996; Gerwin and Kolodny, 1992; Ruekert *et al.*, 1985; Walton, 1985). In decentralization, employee participation in decision making is encouraged at more levels in the organization. This foster employees awareness of how their positions are interrelated with others and according to Church (1986), will increase ego involvement and result in higher levels of commitment. When employees are in a position of high functional dependence, they will view their personal success as directly related to the success of others. Decentralization helped innovations and improves democratic decision-making, fosters responsiveness among employees, and enhances the ability of lower organizational levels to influence senior management increased the level of job satisfaction, therefore, job satisfaction lead to commitment (Vedamanickam, 2001; Kanter, 2004; McNulty and Ferlie, 2004; Khandwalla and Mehta, 2004; Samaratunge, 2003 and George & Jones, 2008). Decentralization has been shown to have positive relationships with organizational commitment (Pare, Tremblay, & Lalonde, 2000; Scott-Ladd, Travaglione, & Marshall, 2006). Employee empowerment is also reported to be positively and significantly correlated with commitment (Ugboro, 2006). Recently Badr & Nour (2011) found significant positive relation among organizational commitment and the factors of organizational culture including management support and organizational identity.

Formalization is typically defined as the degree to which rules and procedures within a system are specified and followed (Pough *et al.*, 1968). Mowday *et al.* (1984) found that formalization was related to commitment. It has been found that employees with more written rules and procedures felt more committed to

the organization than employee who had fewer written guidelines (Morris and Sherman, 1981; Michaels, 1988; Reyes, 1990; Hoy *et al.* 2001). With respect to organizational commitment, Klenke (1982) stated that formalization tends to provide a basis for identification with the organization.

Faerman (1987) states that although it is logical to assume that position in the organizational hierarchy would be positively related to organizational commitment, research results in this area have been inconsistent. On one hand Wesch and LaVan (1981) and Lincoln and Kalleberg (1990) found significant relationships between the two variables. Loui (1995) reported positive relationships with organizational commitment. More specifically, perceived trust in the supervisor, an ability to be involved with the job, and feelings of job satisfaction were major determinants of organizational commitment. Similarly Bruning and Synder (1983) found differences in organizational commitment between supervisors and non supervisors. It is noted that co-workers relationship with organizational commitment has been less studied by researchers. Study conducted by Buchanan (1974), Kawakubo (1987) and Hsu (2000) found positive relationship between co-workers and commitment. Moreover, the participative and reward behaviours of supervisor will reduce the levels of role conflict and role ambiguity among subordinates therefore, will increase the employees level of commitment (Jackson, 1983; Ismail, 1990; Dunham, Grube, & Castaneda, 1994). According to Kitchen (1989) members of the organization who hold higher positions in the hierarchy express higher levels of commitment. Research in these areas has involved top management (Reichers, 1986; Becker & Billings, 1993; Hunt & Morgan, 1994), participatory management (Dunham, Grube, & Castaneda, 1994), supervisors (Becker, 1992; Becker, Billings, Eveleth, & Gilbert, 1996), and supervisory feedback (Dunham, Grube, & Castaneda, 1994).

Trust in the leaders and co-workers affect the rate of job satisfaction, while the relationship between the leaders and the subordinates reveals the level of confidence, trust, and respect from the subordinates to the leaders (Liou, 1995; Robbins, 2003; Kristin, 2005; Liao *et al.*, 2008; Kao, 2008; Weng *et al.*, 2010). By consolidating the above discussion, we can infer that co-workers' relationship affects job satisfaction and job satisfaction affects organizational commitment. Most recently Lin and Lin (2011) observed that job satisfaction is indeed an intervening variable to the relationship between co-workers' relationship and organizational commitment, but the intervening effect is only partial.

Much of the research concerning the causes of commitment have dealt with the personal characteristics of age, education, number of dependents, marital status, gender and work ethic. An employees age for instance was found to be positively related to commitment (Angle & Perry, 1981; Faerman, 1987; Morris & Sherman, 1981; Sheldon, 1971; Mathieu & Zajac, 1990; Alutto & Vredenburg, 1977; Grusky, 1966; Organ, 1977; Dockel, 2003; Dodd-McCue & Wright, 1996; Salami, 2008; Azeem, 2010; Allen & Meyer, 1993 & Padala, 2011). As an employee get older his level of commitment to that organization increases. It is generally thought that as time goes by employee gradually become attached to their employing organization. Kitchen (1989) expands on that premise explaining that scarcity of alternative employment for older workers results when many organizations are reluctant to hire older workers whose length of contribution to the organization would necessarily be brief. For these reasons, older workers tend to be more committed. In contrast to age, education has been found to be inversely related to commitment (Angle & Perry, 1981; Faerman, 1987; Morris & Sherman, 1981; Glisson & Durick, 1988; Padala, 2011). It has been suggested that this inverse relationship may result because of more highly educated individual have higher expectations and needs which the organization may be unable to meet. Consequently highly educated employees become frustrated and unhappy and therefore, uncommitted to the organization, believing that their expectations and needs can be met in other organization.

OBJECTIVES OF THE PRESENT STUDY

Based on the retrospection of the literature, the researcher found that the concept of organizational commitment has been rarely investigated among the employees working in Saudi public sectors. Thereby, shortage of research on this concept represents a major gap in both the field of management and behavioural sciences, thus making a critical and empirical analysis on the concept of organizational commitment seems to be appropriate and relevant research. However, the primary goal of the proposed study would be to concentrate on identifying significant factors that may influence the commitment of public employees in the Saudi bureaucracy. To achieve the objective, the researcher has grouped antecedents of organizational commitment with organizational structure variables, social interaction dimensions and demographical variables in the present study among two levels of employees. In the present investigation the main purpose is to see the most influential variables on organizational commitment by using research questions and set of tools and verified with the results

RESEARCH QUESTIONS

This research study was developed by researcher to answer the following questions:

1. What variables have the most influence on the employees' level of commitment to their organization?
2. Are there any differences or similarities between the two occupational levels (low and middle) employees in terms of influential variables that influence organizational commitment?

METHODOLOGY

SAMPLE

The sample of the present study was 1022 employees from different fifteen ministries of Kingdom of Saudi Arabia located at Riyadh.

TOOLS USED

The following tools were used to gather the information from participants in addition to research questions:

1. Organizational commitment: The most widely used instrument to measure organizational commitment questionnaire (OCQ) developed by Mowday *et al.* (1979). The OCQ is a 14 statement instrument which uses a 7-point scale 'strongly disagree to strongly agree'. It consists of items pertaining to the subject's perception regarding his/her loyalty and identification with the organization, acceptance of organizational values and goals and willingness to exert extra effort to achieve organizational goals. The OCQ has had high reliabilities when used with non English speaking respondents. Luthans *et al.* (1985) reported that the OCQ versions in Japanese and Korean have high reliabilities of .94 and .87 respectively.
2. Centralization: The Centralization Scale developed by Aiken and Hage (cited in Price, 1972) was used to measure this variable. The scale consists of two sub scales known as 'Hierarchy of Authority' containing five items and 'Participation in Decision Making' which is comprised of four items. In this study Hierarchy of Authority sub scale was used to assess the locus of authority in Saudi public organization. In their studies the authors reported an alpha coefficient of .86 (cited in Cook *et al.*, 1981).
3. Formalization: Six items adopted from the fifteen items. Formalization Scale developed by Hage and Aiken (1969) were used to measure formalization. The Formalization Scale consists of five sub scales which define the following sub constructs: job codification, rule observation, rule manual, job description and specificity of job description. The scale in general, has an acceptable level of reliability ranging from .76 to .85.
4. Supervisory Behavior: The Supervisory Behavior Description Questionnaire (SBDQ) developed by Fleishman (cited in Cook *et al.*, 1981) was used to measure supervisory behavior. The scale consist of two sub scales 'Consideration' and 'Initiating Structure' and contains forty eight items designed to measure 'Individuals' leadership behavior through the descriptions from those who they supervise.' However, in the present study, only 12 items were used to measure the supervisory behavior in the Saudi public sector. The internal reliability coefficient for consideration and structure were found .92 and .68 among supervisor whereas, for non supervisor internal reliability coefficient for both sub scale were .98 and .78 respectively.
5. Relations with co workers: The variable, relations with co workers was intended to measure the degree to which employees are friendly and supportive of one another. Seven items were used in this study; three items were adopted from the 'Relations with Co Workers' sub scale of the facet Specific Job Satisfaction Scale and four items were introduced by the researcher to measure the level of support among employees. The relations with co workers sub scale has a relatively adequate level of reliability (alpha .61) and a high level of reliability for the complete scale (alpha .92) (cited in Cook *et al.*, 1981).
6. Demographic variables: The demographic data information sheet was used to collect information on the participant's age, education, marital status and number of dependents.

STATISTICS

By keeping in mind the present study objectives multiple regression and step wise regression methods were used to verify the research questions in the study.

PROCEDURE

The total 1600 questionnaires were sent to fifteen ministries employees of Kingdom of Saudi Arabia and finally researcher received 1022 filled questionnaires from the respondents. To maintain ethics of research, permission has been taken from higher official by providing detail about the nature of the study and assured of confidentiality and informed them that this study will be used for academic purpose. The participants were allowed to take their own time to complete the questionnaires. The questionnaire were translated into English to Arabic for better understanding of items with the help of experts in both the areas of languages and also provided mobile numbers to the respondents to call for help in understanding any ambiguous points or items. The collected data put into statistical analyses for concrete results which has been presented in different tables for results and discussion.

RESULTS AND DISCUSSION

TABLE -1 SHOWING IMPORTANT INFLUENTIAL VARIABLES OF THE ORGANIZATIONAL STRUCTURE DIMENSION ON ORGANIZATIONAL COMMITMENT IN LOW LEVEL OF EMPLOYEES

Sr.No.	Variables	Mult. R	R ²	F	B
1.	Formalization	.28	.08	23.90*	.31
2.	Centralization	.36	.13	20.17*	.22

*P< .001

Table-1 represents two variables, formalization and centralization constitute the organizational structure dimension .The results of stepwise regression indicates that both the variables significantly influence the organizational commitment. These results shows that combined, formalization and centralization account for 13% of the organizational commitment of low level employees. The results might be highlighted that empowerment, participation in decision making and building confidence lead to affect the commitment level in their organization. The finding has been supported by Ugboro (2006) and George & Jones (2008).

TABLE -2 SHOWING IMPORTANT INFLUENTIAL VARIABLES OF THE ORGANIZATIONAL STRUCTURE DIMENSION ON ORGANIZATIONAL COMMITMENT IN MIDDLE LEVEL OF EMPLOYEES

Sr.No.	Variables	Mult. R	R ²	F	B
1.	Formalization	.36	.13	104.14*	.39
2.	Centralization	.47	.22	99.80*	.31

*P< .001

Table-2 indicates that formalization and centralization found most significantly influential variable on organizational commitment and stepwise regression indicates that combined, formalization and centralization account for 22% of the organizational commitment of middle level employees. The result might be discussed in the light of literature available that organizational culture, identification, higher management support, written rules and procedures, job feedback, job independence and job variety lead to influence the level of commitment to the organization (Pare, Tremblay, & Lalonde, 2000; Scott-Ladd, Travaglione, & Marshall, 2006; Badr & Nour,2011 and Mousavian & Shahamat, 2011)

TABLE -3 SHOWING IMPORTANT INFLUENTIAL VARIABLES OF THE SOCIAL INTERACTION DIMENSION ON ORGANIZATIONAL COMMITMENT IN LOW LEVEL OF EMPLOYEES

Sr.No.	Variables	Mult. R	R ²	F	B
1.	Supervisory Behaviour	.3	.09	28.44*	.24
2.	Co-worker Relationship	.36	.13	20.20*	.20

*P< .001

Supervisory behaviour and co-worker relationships represent the social interaction dimension. Stepwise regression test results indicate that both variables affect the organizational commitment of low level employees, but supervisory behaviour is slightly more significant and combined, supervisory behaviour and co-worker relationships account for 13% of the organizational commitment of low level employees. The result might be attributed that high cooperation, harmonious working relationships, good working conditions, motivations and proper guidance affect the level of organizational commitment (Fink, 1992; Griffin, 1988 and Ismail, 1990).

TABLE -4 SHOWING IMPORTANT INFLUENTIAL VARIABLES OF THE SOCIAL INTERACTION DIMENSION ON ORGANIZATIONAL COMMITMENT IN MIDDLE LEVEL OF EMPLOYEES

Sr.No.	Variables	Mult. R	R ²	F	B
1.	Supervisory Behaviour	.37	.14	144.16*	.33
2.	Co-worker Relationship	.41	.17	60.07*	.17

*P< .001

Similarly Table-4 represents the social interaction dimension i.e. supervisory behaviour and co-worker relationships .The results of stepwise regression indicate that supervisory behaviour and co-worker relationships significantly influence the organizational commitment of middle level employees, with supervisory behaviour again being slightly more significant. The above results indicate that supervisory behaviour and co-worker relationships account for 17% of the organizational commitment of the middle level employees. The result might be interpreted that supervisory behaviour could allow for increased interaction and communication between supervisors & subordinates and friendly co- workers affect the level of commitment in their organization. Hsu (2000) and Lin & Lin (2011) supported the findings.

TABLE -5 SHOWING IMPORTANT INFLUENTIAL VARIABLES OF THE DEMOGRAPHIC DIMENSION ON ORGANIZATIONAL COMMITMENT IN LOW LEVEL OF EMPLOYEES

Sr.No.	Variables	Mult. R	R ²	F	B
1.	Education	.28	.08	23.25*	-.28

*P< .001

Table-5 indicates that out of four variables that constitute the demographic dimension (age, education, marital status, and number of dependents), only education found most influential variables on organizational commitment among low level of employees. Further, the result shows that education account for 8% (R²= .08) of the organizational commitment of employees in low level categories .The result might be explained based on previous findings that low level employees having apprehension in mind that scope of other job is less and more responsibilities lead to influence the level of commitment (Angle & Perry, 1981; Steers, 1977 and Padala, 2011).

TABLE -6 SHOWING IMPORTANT INFLUENTIAL VARIABLES OF THE DEMOGRAPHICAL DIMENSION ON ORGANIZATIONAL COMMITMENT IN MIDDLE LEVEL OF EMPLOYEES

Sr.No.	Variables	Mult. R	R ²	F	B
1.	Education	.23	.05	39.27*	-.18
2.	Age	.28	.08	29.46*	.17

*P< .001

Table-6 shows the middle level employees, education and age both proved to be the most influential variables on organizational commitment, with education still holding a slight edge in significance. Statistical data explain 8% of organizational commitment of middle level employees. As age increased individual opportunities for alternate employment become more limited. This decrease in options value of the present employer, thereby, leading to increased

psychological attachment Mowday *et al.* (1982). Moreover Morris and Sherman (1981) discovered that older workers, less educated employees, and employees with greater sense of competence had higher levels of organizational commitment.

CONCLUSION

On the basis of results, following conclusion can be drawn;

- In the organizational structure dimension, centralization and formalization significantly affect the organizational commitment of both low and middle level employees.
- Supervisory behaviour and co-worker relationships as the social interaction dimensions have a significant relationship with organizational commitment in both the categories of employees.
- Education is the most influential variable affecting the organizational commitment of low level employees
- Education and age both found to be most significantly influential variables on organizational commitment.

SUGGESTIONS FOR FUTURE RESEARCH

The present research finding has contributed to contemporary areas of organizational behaviour & development and is valued for researchers, academicians, consultants and management practitioners. By keeping several aspects of research in mind, the researcher has also given some suggestion for future research. This study has been widely investigated with male and in Riyadh area only, so it is suggested to study with other sample and cities of Saudi Arabia to determine research to probe whether the result are applicable to Saudi public sector employees. Further it also recommended using different instruments and research questions to investigate the Saudi public sector employees' commitment level to their organization in different parts of the country. On the basis of findings it is necessary to design policies for greater level of organizational commitment. Orientation, training, participation in decision making process, fairness, clarity of roles and responsibilities, timely promotion, intrinsic and extrinsic rewards, explicit code of conducts and other human resource aspects must be taken into consideration to enhance the level of organizational commitment of the employees in the organization.

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FINANCIAL DEREGULATIONS AND PRODUCTIVITY CHANGE IN PAKISTAN BANKING INDUSTRY

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ABSTRACT

This study aims to assess productivity changes in Pakistan banking industry during post financial reforms period. Numbers of banking reforms have been implementing since 1991 in order to improve the performance of this sector. Panel data of 26 individual banks from 2004 to 2009 is used and Malmquist total factor productivity indexes are applied. For further deep understanding, these banks are also classified into small, medium and large banks groups as per their asset accumulations. It is found that progress in productivity change exits during the analysis period and efficiency change / catching-up affect is more pronounced for determining progress in productivity of Pakistan banking industry and even offsets deteriorating trend of technological change. Moreover, small and large banks enjoy progress in productivity compare to medium banks.

KEYWORDS

Pakistani banks, DEA, Productivity, Malmquist Indices.

INTRODUCTION

A sound and well-developed banking sector has pivotal status in any economy due to its significant financial intermediary role. Voluminous empirical literature posits that bank based financial intermediation exerts positive impact on economic growth and development (King & Levine 1993; Gregorio & Guidotti, 1995; Levine et al. 2000). Moreover, banking system has dominance in financial sector of developing countries. Considering this, performance evaluation of this sector is of paramount importance.

Highly regulated banking industry generally characterizes less efficient & productive, high cost and none or less competitive which ultimately impede the performance of the economy. In highly command and regulated banking sector, allocation of credit are not made on market basis rather credit rationing for some preferential sectors exists. Influence of political and other governing class can't be overruled for using the financial resources of this sector for their vested interests. Least competitiveness is one of the obstacles which hampers efficiency and productivity of this sector. Conversely, less regulated / deregulated banking industry associated with cost savings activities resultantly, productivity of the industry may increase.

During the last few decades, lot of structural changes occurs all over the globe and notable one is deregulation in banking sector so that financial resources can be optimally used on market basis. Large numbers of developed and developing countries have implemented deregulations in their banking sector in order to enhance competitiveness and performance of this sector. Pakistan also introduced numerous prudent measures in banking sector from 1990s which are still going-on. Prior to that, all Pakistani banks were nationalized in 1974 with some social objectives. But nationalization of banking sector eroded performance and competition in this sector. Dysfunctions of this sector was occurred due to excessive role of influential powers on issuance of loans which created loans recovery problem, therefore, non performing loans ratio increased. In addition to that, due to direct influence of political forces created overstaffing, over branches in this sector, hence, services quality of banks severely deteriorated. Moreover, during nationalized era real deposit rate remained negative in most of the years which discouraged banks deposits (Khan, 1996; Zaidi, 2005). All these factors affected the performance and productivity of Pakistan banking industry. Resultantly, deregulatory measures in banking industry of this country were started. Initially, private sector was allowed to open new private banks in Pakistan and considerable autonomy was given to State Bank of Pakistan². Four public sector banks were privatized. Even during the recent period, some noteworthy reforms were taken place, for instance; liberalization policy for bank branches, merger and acquisition of banks, e-banking, usage of ATMs etc. (Khan & Khan 2007). Now, private domestic banks enjoy dominant share in Pakistan banking sector. Banking industry of this country is flourishing due to the banking reforms which have been implemented during the almost two decades.

Apparently, financial deregulations pave the way for competitiveness in banking industry and boost productivity of the industry but this can be validated with empirical support, therefore, productivity analysis of banking industry is an important question which needs to be addressed Voluminous empirical literature is available on this issue around the world. It is evident from literature that impact of financial liberalization on productivity of banking sector varies from country to country. Some studies claim positive contribution of deregulation on banking productivity change (see, Berg et al. 1992; Avkiran, 2000; Isik & Hassan, 2003; Kumbhakar & Wang, 2007). Whereas, some researchers unveil that there is no significant impact of banking reforms on productivity of banks (e.g., Rizvi 2001; Dogan & Fausten 2003; Moffat, et al. 2009).

The prime objective of this study is to analyze productivity change along with efficiency and technological changes in Pakistan bank industry during post financial deregulation period. Literature on productivity analysis of Pakistan banking industry is too limited and incomprehensive. To our knowledge, only Rizvi (2001) and Jaffry et al. (2005) addressed this issue for Pakistan but both these studies used data of 1990s and no study is available on this subject for recent period. The first contribution of this study is to fill this gap and analyzes the impact of financial deregulations on productivity of Pakistan banking industry by using recent data of 26 scheduled banks operating in Pakistan from 2004 to 2009. Secondly, we use Malmquist total factor productivity changes Indices based on non-parametric technique; Data Envelopment Analysis (DEA) through which productivity change is further bifurcated into efficiency change and technological change. Efficiency change is further decomposed into pure technical efficiency change and scale efficiency change. Thirdly, we classified the banks into small and medium and large banks categories in order to have deep understanding about productivity changes in these different banking groups.

The remainder of the article is organized as follows. Section 2 presents review of existing literature on productivity analysis of banking industry. In section 3 methodology and data are discussed. Section 4 contains empirical results whereas last section is devoted for some concluding remarks.

² State Bank of Pakistan is a central bank of this country.

LITERATURE REVIEW

Various studies assessed productivity change in banking industry around the world. Noulas (1997) found increase in productivity of Hellenic public and private banks; however, technological progress is the major channel which contributed in productivity of public banks whereas dominance of efficiency improvement unveiled for private banks' productivity. Comparison of productivity change for different European and US banking industries was the aim of Pastor, et al. (1997). This study classified bank industries into two groups as per productivity. Banks of Italy, Belgium, Austria and Germany were more productive whereas banks of Spain, UK, France & USA were found less productive. Isik & Hassan (2003b) analyzed the impact of financial disruption 1994 on Turkish banks and claimed that productivity of Turkish banks decreased in 1994 due to deterioration in technological progress. They further found that foreign banks were the major victims of this crisis compared public sector banks. Although banks of all sizes faced productivity loss but small banks received severe impact.

A number of studies examined the effect of banking deregulations on productivity change in banking industry all over the world; however, the results of the studies vary from country to country. Varied impacts of deregulations on bank productivity are subject to specific conditions of particular banking industry, nature of reforms and research technique (Kumbhakar & Lozano-Vivas, 2005). Some studies illuminate that productivity of banking sector enhanced in response to financial reforms. For instance, Berg et al. (1992) examined productivity of Norwegian banks during pre and post deregulations. This study was among the first which used Malmquist index to meet the objective. They found deterioration in productivity prior to deregulations but progress in post-deregulation period and particularly, rapid increase in productivity of large banks was observed. Avikan (2000) analyzed productivity of Australian banks during deregulations period from 1986 to 1995 and unveiled growth in Australian banks' productivity. This study unveiled technological change was the major source of this growth instead of efficiency change. Isik & Hassan (2003) utilized Malmquist indices for productivity analysis of Turkish banks and found positive impact of deregulations as productivity of all types of banks increased during the analysis period. Moreover, efficiency change dominated over technological change in order to enhance total factor productivity whereas management efficiency was the major source of efficiency change. Kumbhakar & Lozano-Vivas (2005) found that productivity of Spanish saving and commercial banks enhanced during deregulation era and more specifically, positive impact of European deregulations was more prominent on productivity of savings banks. In order to find the impact of financial reforms on productivity of banking sectors Indian sub-continent's countries, Jaffry et al. (2005) carried out a study by taking data for the period 1993-2001. They also used Malmquist total factor productivity indexes and elucidated positive impact of banking reforms on productivity of banks operating in Pakistan, India and Bangladesh. Rezitis (2006) revealed that Greek banks gained growth in productivity during post-reforms period whereas technological progress was the major source for this growth. Kumbhakar & Wang (2007) found progress in total factor productivity of Chinese banks during post reform period. Moreover, this growth was higher for Joint-equity banks compared to complete public-owned banks.

Conversely some studies found no significant impact of deregulations on banking productivity. For instance, Rizvi (2001) analyzed total factor productivity change through Malmquist TFP index by taking data of schedule banks of Pakistan for financial deregulation period 1993-1998 and claimed no progress in productivity of banks during the period under consideration. Dogan & Fausten (2003) examined productivity change of Malaysian banks during financial deregulation period 1989-1998. They found no any impact of financial liberalization on banking productivity and further claimed that larger banks were more unproductive compared to smaller banks. Examining the effect of merger and acquisition on productivity of Greek banks was the objective of Rezitis (2008) and for this purpose, he used Generalized Malmquist index. This study illuminated no progress in productivity of Greek banks whereas technical efficiency of merged banks also deteriorated which was the main hindrance in productivity growth. Moffat, et al. (2009) analyzed total factor productivity change of Bostwana's financial institutions in post financial reform period. This study unveiled no growth in productivity of financial institutions during deregulation era whereas regressing trend in technological change was the major reason for this non-productivity.

METHODOLOGY AND DATA

Productivity change analysis is one of the ways to assess the performance of banking sector. Three types of indexes namely; Fischer, Tornqvist, and Malmquist indexes are used for productivity analysis (Pastor et al. 1997; Rebelo & Mendes, 2000). However, recently Malmquist total factor productivity changes index has been extensively applied in financial literature. Rebelo & Mendes (2000) mentioned three advantages of Malmquist index over Fischer and tornqvist indexes. Firstly, prices of inputs and outputs are not required for this index. Secondly, it is free from cost minimization or profit maximization assumptions and lastly productivity can be decomposed into technical efficiency (catching-up effect) and technological change (shift of frontier due to advancement) provided that panel data is used. The major demerit of this index is regarding computation of distance function; however, non-parametric based Data Envelopment Analysis (DEA) approach application can solve this problem (Rebelo & Mendes 2000).

Malmquist productivity indices can be estimated either through input or output based approach. The former shows saving of inputs at given level of output whereas latter is related to attain maximum possible output at given level of input. Following, Berg et al. (1992); Pastor et al. (1997); Rebelo & Mendes (2000) and Moffat et al. (2009), this study used input oriented Malmquist productivity index.

Following Fare et al. (1994) and Coelli (1996) input based Malmquist productive change Index is specified as:

$$M_i^{t+1}(z_{t+1}, y_{t+1}, z_t, z_t) = \left[\frac{d_i^t(y_{t+1}, z_{t+1})}{d_i^t(y_t, z_t)} \times \frac{d_i^{t+1}(y_{t+1}, z_{t+1})}{d_i^{t+1}(y_t, z_t)} \right]^{1/2} \tag{1}$$

Where,

M_i = Malmquist productivity change index whereas 'i' represents as input based index. It shows productivity change in t+1 time with reference the base time t

ds = Distance function.

y = Level of Inputs

z = Level of outputs

The solution of equation 1 provides the results of Malmquist productivity change index which are summarized at Table 1.

TABLE 1: PRODUCTIVITY CHANGES LEVEL

Malmquist index results	Interpretation
If M is greater than unity	Progress in productivity
If M is equal to unity	No change in productivity
If M is less than unity	Regress in productivity

This index formulation can also be decomposed in the following form.

$$M_i^{t+1}(z_{t+1}, y_{t+1}, z_t, z_t) = \frac{d_i^t(y_{t+1}, z_{t+1})}{d_i^t(y_t, z_t)} \times \left[\frac{d_i^t(y_{t+1}, z_{t+1})}{d_i^{t+1}(y_{t+1}, z_{t+1})} \times \frac{d_i^t(y_t, z_t)}{d_i^{t+1}(y_t, z_t)} \right]^{1/2} \tag{2}$$

Where

$$\text{Technical efficiency Change (TEC)} = \frac{d_i^{t+1}(y_{t+1}, z_{t+1})}{d_i^t(y_t, z_t)} \tag{3}$$

and

$$\text{Technological Change (TECHC)} = \left[\frac{d_i^t(y_{t+1}, z_{t+1})}{d_i^t(y_{t+1}, z_{t+1})} \times \frac{d_i^t(y_t, z_t)}{d_i^{t+1}(y_t, z_t)} \right]^{1/2} \tag{4}$$

This decomposition shows that Malmquist index formulation equation 2 is a product of technical efficiency changes /catching up effect and technological changes / shift of frontier. Catching-up part shows change in efficiency at 't+1' from 't' time. Like productivity change results' interpretation, the value of catching-up component greater than unity indicates progress in efficiency change, equal to unity means stagnation in efficiency change and less than unity

postulates declining trend in efficiency change. Shift in production frontier can be due to technological innovations or shocks. The value of frontier shift components greater than, equal and less than unity means progress, no change and regress in technological change respectively at period 't+1' compare to period 't'. Both technical efficiency change and technological changes fabricate productivity change of the analyzed institution(s).

The above mentioned equations are based on constant return to scale (CRS) assumptions for distance functions, however, with the application of variable return to scale (VRS) distance functions, technical efficiency change / catching-up effect can be further decomposed into pure technical efficiency change and scale efficiency change (Fare et al. 1994). Pure technical efficiency (PTEC) is known as management efficiency and scale efficiency changes (SEC) is scale operation. As elaborated by Isik & Hassan (2003) and Reztis (2006), the decompositions of efficiency change (TEC) into pure technical efficiency change (PTEC) and scale efficiency change (SEC) are as follows.

$$\text{Pure Technical Efficiency Change (PTEC)} = \frac{d_i^{t+1[VRS]}(y_{t+1}, z_{t+1})}{d_i^t[VRS](y_t, z_t)} \quad (5)$$

and

$$\text{Scale Efficiency Change (SEC)} = \left[\frac{d_i^{t+1[CRS]}(y_{t+1}, z_{t+1}) / d_i^{t+1[VRS]}(y_{t+1}, z_{t+1})}{d_i^t[CRS](y_t, z_t) / d_i^t[VRS](y_t, z_t)} \right] \quad (6)$$

To estimate Malmquist indices, the above mentioned distance functions are to be solved and for this purpose, linear programming based DEA approach can be used as suggested by Fare et al (1994); Coelli (1996); Rebelo & Mendes (2000); among others. This study uses DEAP 2.0 computer program, devised by Coelli, (1996), for estimation of Malmquist indices through DEA technique.

The findings of these indices give variety of results regarding performance of banking industry. For example, if TECHC is greater than TEC then one can conclude that TFP growth is more influenced by technological change, however, conversely if TEC is more than TECHC, one can draw conclusion that efficiency change is more prominent for determining progress in TFP growth. Besides that, bifurcation of TEC into PTEC and SEC helps to decide that as to whether managerial efficiency change (PTEC) is more important or scale efficiency change (SEC) for TEC. For instance, one can arrive on the decision that technical efficiency progress is more likely due to managerial efficiency progress than scale efficiency change and vice versa.

DATA

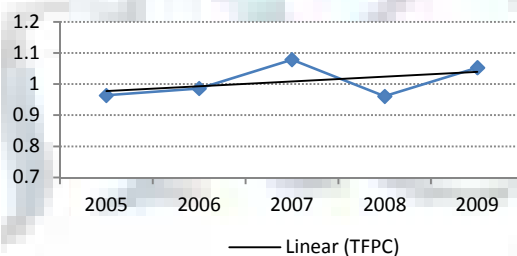
Input and output variables selection is a debatable issue in financial literature for productivity and efficiency analysis and a few approaches are available in the literature for this purpose. However, out of these, intermediation approach and production approach have been extensively used. According to former approach, banks are financial intermediaries between savers and investors whereas latter approach supposes banks as service providers for their accounts holders (Berger & Humphrey, 1997). Following Rebelo & Mendes (2000), Rizvi (2001) and Reztis (2006), this study chooses intermediation approach for identifications of inputs and outputs. Three inputs namely; i) employees (in numbers), ii) Operating fixed assets and iii) deposits + other accounts are selected whereas i) investments and ii) advances issued by banks are chosen as outputs for analysis purpose.

For analyzing the impact of banking deregulations on productivity of Pakistan banking industry, this study selects 26 schedule banks for each year during the period from 2004 to 2009, which constitutes balanced panel data³. Out of these total 26 schedule banks, 16 are private commercial banks, 4 are foreign banks, 3 are public sector commercial banks and remaining 3 are specialized banks. Classifications of banks into different groups according to assets accumulations are vogue in finance literature for banking performance analysis. This type of analysis also paves the way for better understanding the performance of banking industry. In addition to productivity change analysis of all 26 banks, this study also classified these banks into three groups namely; small, medium and large banks according to each bank's assets accumulation. The banks which hold assets more Rs.250,000 (millions) are categorized as large banks whereas the banks possess assets between Rs. 50,000 - 249,000 (millions) and less than Rs. 49,000 (millions) are earmarked medium banks and small banks respectively⁴. The numbers of these three classified banks are varied from year by year. The data for these individual banks are taken from Banking Statistics of Pakistan 2009⁵.

EMPIRICAL FINDINGS

Graphical analysis of Total factor productivity change (TFPC) of all banks is presented in figure 1, which shows that over the period of time, banks attain gradual progress in banking productivity as shown in linear trend line. Basically, this change is measured between two periods i.e. change in 't+1' period compare to 't' time period that is the reason, although we have selected data from 2004 but the results come from 2005. As explained earlier, TFPC is the product of technological change / change in frontier due to innovation and efficiency change / catching-up. Figure 2 and 3 postulate these two components of TFPC and these figures reveal that during the analysis period technological change (TECHC) is regressed whereas efficiency change (TEC) is considerably increased. The trends in these components show that TEC is the major contributor in progress of TFPC and also offset the regressing trend in TECHC, to some extent. Besides, the graphical analysis, the results of Malmquist indices are also given in Table 2. Mean values of TFPC, TECHC and TEC during the period also confirms that TEC played vital role in progress of TFPC whereas TECHC deteriorated. As far as two other components of TEC – pure technical efficiency change (PTEC) and scale efficiency change (SEC) are concerned, this table also reveals that both have positively contributed in TEC change which in turn influenced TFPC progress. In the year 2006, all indices regressed / decreased except TECHC. On the other hands, TEC and its components – PTEC and SEC increased during the analysis period except for the year 2006. This shows that 2006 was the turmoil year regarding the performance of Pakistan banking industry.

FIGURE 1: TOTAL FACTOR PRODUCTIVITY CHANGE INDEX OF ALL BANKS



³ For Malmquist TFP indices analysis, balanced panel data is required, therefore, to meet this, this study selected 26 banks as balanced panel data for six years is only available for only these banks.

⁴ These amounts are in millions Pak Rupees.

⁵ Bank statistics of Pakistan is a regular annual publication of State Bank of Pakistan.

FIGURE 2: TECHNOLOGICAL CHANGE INDEX OF ALL BANKS

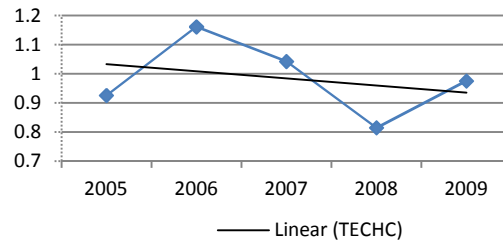


FIGURE 3: EFFICIENCY CHANGE INDEX OF ALL BANKS

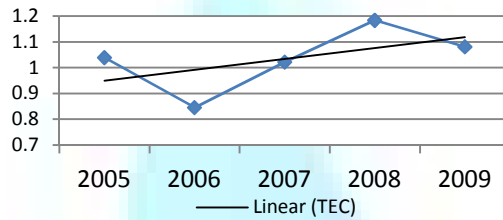


TABLE 2: ALL BANKS' RESULTS OF MALMQUIST TFP CHANGE INDEX AND ITS COMPONENTS

	2005	2006	2007	2008	2009	Mean
TFPC	0.964	0.986	1.079	0.961	1.053	1.008
TECHC	0.926	1.162	1.043	0.815	0.976	0.985
TEC	1.039	0.845	1.022	1.184	1.081	1.034
PTEC	1.051	0.995	1.001	1.029	1.015	1.018
SEC	1.027	0.847	1.025	1.161	1.067	1.026

TABLE 3: RESULTS OF MALMQUIST TFP CHANGE INDEX AND ITS COMPONENTS (SMALL, MEDIUM & LARGE BANKS)

	2005	2006	2007	2008	2009	Mean
Small banks						
No. of Banks	14	13	11	10	9	
TFPC	0.940	1.049	1.186	0.918	0.970	1.012
TECHC	0.892	1.170	1.096	0.853	0.879	0.978
TEC	1.048	0.883	1.052	1.077	1.100	1.032
PTEC	1.139	0.999	1.017	1.078	1.029	1.052
SEC	0.976	0.880	1.033	1.000	1.074	0.992
Medium banks						
No. of Banks	7	7	9	10	10	
TFPC	0.971	0.884	0.934	0.954	1.135	0.976
TECHC	0.996	1.107	0.990	0.802	1.035	0.986
TEC	0.974	0.810	0.950	1.191	1.102	1.005
PTEC	0.924	1.002	0.947	0.992	1.029	0.979
SEC	1.059	0.811	1.017	1.214	1.071	1.035
Large banks						
No. of Banks	5	6	6	6	7	
TFPC	1.019	0.968	1.099	1.045	1.044	1.035
TECHC	0.925	1.207	1.027	0.776	1.017	0.990
TEC	1.105	0.802	1.074	1.352	1.027	1.072
PTEC	0.981	0.980	1.055	1.008	0.975	1.000
SEC	1.124	0.819	1.022	1.342	1.054	1.072

Besides the productivity change analysis of all 26 banks, this study also categorizes these banks into small, medium and large banks according to their assets accumulations. The numbers of these banks changed from year to year. The results for TFPC, TECHC, TEC, PTEC AND SEC for three groups along with number of banks in each group each year are given in Table: 3. This table shows that in the years 2006 and 2007 there was progress in TFPC of small banks and in the remaining years a slight regressing trend prevails, however, mean value of TFPC index unveils overall progress in productivity change of small banks. Considerable increase in catching-up (TEC) is witnessed during the analysis however, in only 2006 TEC deteriorates. On the other hand, small banks faced regressing trend in technological regress during the analysis period. Catching-up (TEC) effect of small banks is also influenced by PTEC and SEC positively. Medium banks group faced deterioration in productivity change throughout the period except for the year 2009. However, increase in SEC is observed during four out of five years which overweigh managerial efficiency (PTEC) for determining TEC. Significant progress in productivity change is materialized in large banks group and this improvement was seen throughout the period except in the year 2006. In this group, TECHC prevails during three years whereas TEC exists in four years which shows the importance of catching-up effect for determining TFPC of large banks. The findings regarding further bifurcation of TEC into PTEC and SEC elucidate that SEC is more pronounced than managerial efficiency changes for determining catching-up progress of large banks. In brief, small banks and large banks groups enjoy progress in productivity change compare to medium banks. One common feature among these groups is that technical efficiency change / catching-up effect is stronger in the progress of productivity than technological change. Moreover, increase in management efficiency change (PTEC) is more pronounced in small banks group than its other counterparts. Overall productivity change analysis illuminates that during the selected period, productivity of Pakistan banking industry increase which shows that banking deregulations policy is beneficial for better performance of this sector.

CONCLUDING REMARKS

Numerous banking reforms have been implementing in banking industry of Pakistan since 1991, even during the recent period, different banking reforms have been executed in order to enhance the performance of Pakistan banking sector. This study examines productivity changes in banking industry during post financial reforms period. To meet the objective, 26 individual banks' panel data from 2004 to 2009 is used and Malmquist indices are applied for productivity analysis. In addition to that, these banks are categorized into small, medium and large banks groups according to assets accumulations of individual banks. This study finds progressive trend in productivity change of the Pakistan banking industry during the period. Technological change deteriorates during the analysis period, however, considerable progress in efficiency change is observed. Efficiency change / catch-up effect played pronounced role in progress of productivity change in banking industry and also offsets negative effect of deteriorated trend in technological change. Moreover, progress in total factor productivity changes is observed in small and medium banks compare to medium banks.

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BRILLIANT INTELLIGENCE AND INTERNAL MARKETING EFFECT ON ORGANIZATIONAL CITIZENSHIP BEHAVIOR- STUDY OF EMPLOYEE IN HIGH TECHNOLOGY INDUSTRY

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ABSTRACT

The study is mainly to explore the effect of internal marketing and organizational commitment on organizational citizenship behavior driven by organizations, in which the Brilliant Intelligence (BQ) of members will be discussed as mediator variables. Given a fact that local and foreign studies with regard to organizational effectiveness all pay attention to leader's character and behavior more while a discussion on member's character is hardly conducted to understand the effect of organizational objective and related topics. According to the research results, employees of high technology industries in Taiwan reported a positive correlation to internal marketing perception, organizational commitment and organizational citizenship behavior, also, the interaction effect between internal marketing and BQ reported significant effect on the organizational commitment.

KEYWORDS

brilliant intelligence, internal marketing, organizational commitment, organizational citizenship behaviour.

INTRODUCTION

According to scholar Alvin Toffler, information or digital stage has begun since the end of 20th century with information and knowledge worker as driving force behind, such economy belongs to an era of information networking and knowledge-based economy, where muscle strength is replaced by brainpower and becomes major production factor. Facing science and technology knowledge-based century that features speed and efficiency, the high technology industries will become the mainstream of industrial development, while high technology industries are based on scientific development, with innovation the utmost growth element while innovation ability originates from incessant manpower investment and research & development, therefore, traditional strategy for long-term peace and stability within the business is not a panacea that saves unpredictable business crisis, it instead, requires a charm that adapts to change in time and space anytime. Accompanied by how business makes commitment to the strategy and vision of external customers while such a new concept similar to doing things from old theories is highly promoted and executed, to firstly market to first-tier service personnel who directly provide service or product within organizations, to make them fully understand the meaning and guidelines of that strategy and incorporate them into the key moment of customer contact such as service or product delivery, and given such a fact, local and abroad scholars and the industry have all put their efforts on the studies of various industries consecutively, the high technology industries in particular, expect to foster the quality enhancement, customer satisfaction of related industries and subsequent related topics within organizations

Internal marketing reports a strategic purpose of developing customer-oriented employees, which is also a way similar to marketing skill for enterprises to treat their employees, to internalize the service philosophy of business between employees and to further convey the concept to customer through service process. Besides, according to scholars in organizational behavior and management field, business philosophy and objective will adapt to their work spontaneously once the organization or business works well, or during the process of service, the employees will not only have to perform in-role behavior as per role guidelines regulated by the organization, but also have to perform innovative, spontaneous and cooperative behaviors of some non-official guidelines within organizations, these behaviors other than in-role behaviors are firstly proclaimed as "Organizational Citizenship Behavior" by Organ (1988).

However, the personality traits and work attitude of employees themselves are seemingly associated with performance of two variables - "internal marketing" executed within organizations and employee's "organizational commitment" while paying attention to the organizational behavior of employees enabled through organization perspective. An employee who reports kind personality traits and work personality should be more easy to understand, realize strategies, guidelines and systems driven by business, to further have them fulfilled, executed effectively and at the same time, to breed stronger perception of commitment to the organization.

Given viewpoints stated above, internal marketing executed within the enterprise reported unneglected importance and urgency, in the meantime, internal marketing is also the most direct and effective way and mean to enable job satisfaction between employees, to ferment organizational commitment, trust and organizational citizenship behavior. Therefore, the study targets employees of high technology industries in Taiwan to explore execution of internal marketing within organizations, their attitudes toward employees' perception of organizational commitment and organizational citizenship behavior and to further understand whether employees in different personality traits and work attitude report significant difference in terms of organizational commitment variable.

To sum up, a discussion on the high technology industries in Taiwan will be conducted by the study:

- Effect of employee's "internal marketing" perception on "organizational commitment" and "organizational citizenship behavior".
- Correlation between enterprises' perception of "internal marketing" and employees' "organizational commitment" and "organizational citizenship behavior".
- Whether employees' in different demographic variables report a significant difference in above-mentioned dimension.

LITERATURE REVIEW**INTERNAL MARKETING**

A concept of internal marketing (IM) is a new management philosophy that organizations regard its organization members as internal customers (Berry,1981) , as it should be, internal marketing is also subject to development of customer-oriented employees (Gronroos,1985) . Despite what most scholars who studied internal marketing have pointed out, employee's behavior and performance such as organizational commitment, organizational trust, job satisfaction, customer driven and organizational citizenship behavior etc. will be easily affected once the organization applies internal marketing to organizational members and manages their employees effectively, a concept of "internal marketing" has been deeply valued and recognized by the industry circle.

A concept of internal marketing originated from service industry. Among perceptions of most people, "marketing" is about product marketed to customers by manufacturer; it is in fact, failed to enhance quality of service through conventional method (e.g. technology upgrade) purely, it however, has to done through a process of interaction between first-tier service personnel and customer, which reports a decisive effect on fostering overall customer satisfaction (Kan, 2001). Therefore, marketing concept and topic have extended from traditional tangible product to intangible service consecutively, while the target audiences have been extended from external customers to internal customers (employee) of enterprises or organizations.

Marketing scholar Kotler (2000) has re-defined the relationship generated by all publics , it includes but not limited to customer", he tried to expand the scope of existing marketing concept defined, in his point of view, marketing is about related issues among the organization and all its interest groups, in which not only customer but also employee should be included in. Thomas (1978) has also proposed a marketing framework for service industry, with marketing strategies of service industry summarized in terms of 3 perspectives : internal marketing, external marketing and interactive marketing.

According to Johnson, Scheuing & Gaida (1986) , internal marketing is to allow employees within organizations to be aware of mission, objective and vision of the organization, and to achieve the expectation of the organization through education training, incentives and performance evaluation for employees. Gummesson (1987) said that the service perception and customer satisfaction of part-time marketer is the purpose of internal marketing, in which he believed that employees should play a role of marketer in the organization no matter he/she works under marketing department or not; Also, the ability, attitude, customer-driven behavior and service perception of first-tier employees who directly provide service while interacting with customer, is the key to affect customer perception of enterprises' quality of service. Piercy & Morgan (1991) proposed that internal marketing is a kind of strategic plan which aims to work with external marketing plans outside enterprises. The company conveys related marketing contents and execution methods to units and employees within organizations through internal marketing. Given the viewpoints stated above, Gronroos (1994) has re-defined the internal marketing as : "Organizations allow employees to receive best stimulation through proactive & active behaviors similar to marketing as well as a manner of intergration and coordination in terms of service perception and job satisfaction development.

Moreover, "internal marketing" is a philosophy similar to HR management, which combines theory; technology and principle to stimulate, mobilize, recruit and manage all employees within organizations to continuously improve way of service delivery by external customers and internal employees (Joseph, 1996) . According to Berry & Parasuraman (1991) , internal marketing is to attract, develop, stimulate and retain outstanding employees that organizations want by finding product that conforms to employee demand, is a management philosophy that to treat employees as their customers, is a developing strategy that forms products (job) that satisfy employee demand. David (2003) mentioned that the internal marketing of knowledge-based era should be defined as strategy for relationship development that organizations would like to achieve knowledge renewal in his "medium theory that affects internal marketing".

The study has defined and discussed internal marketing in terms of "similar" to HR management perspective, the so-called internal marketing, is organization to apply marketing concept to the deeds of HR management perspective. For example, George & Gronroos (1989) and Berry & Parasuraman (1991) have considered that internal marketing is highly similar to HR management, also, subsequent scholars have said that HR department could in fact, use many marketing concepts to solve and assist the difficulties encountered by HR department. To summarize the viewpoints above, the meaning and concept of internal marketing have been gradually expanded to more extensive industrial sectors after being discussed by related scholars though they were firstly developed by service industry, the study has defined internal marketing as "to regard employee as internal customer with marketing perspective adopted to conduct HR management activity within organizations to enhance employee's identification to the organization and the job satisfaction as well as achieve organization's objective.

ORGANIZATIONAL COMMITMENT

Organizational commitment is an attitude that not only affects employees intensity of input and effort to organization (Steer, 1977) , which means network relationship of employees to organization. The organizational commitment is firstly appeared on Becker (1960) , in which "commitment" is applied to the studies of organizational behavior, he believed that organizational commitment is continuity of behavior, after that, organizational commitment has become the topic valued by scholars of organizational management or public/private sector.

Organizational commitment is a willingness to devote and be loyal to energy of social system, i.e., to attach personality trait system of individual to self performace of social relationship (Kanter, 1968) . Afterwards, Porter , Steers, Mowday & Boulin (1974) said that organizational commitment is sense of identification and performance of relative intensity of individuals to certain organization and input tendency, in which it covers : 1. An intention to accept organizational objectives and value; 2. An intention to strive for the pursuit of organizational interests; 3. A strong desire to sustain member's identity of organization. Therefore organizational commitment should be a positive attitude toward to commit to the organization, agree to organizational objective, is a job to make organization members feel happy and regard work as part of life for each individual, they perceived that organization is where loyalty and affection belong to, therefore, is an inner attitude to continue and even stay in the organization all their life willingly.

To make a comprehensive survey of organizational commitment related studies, which could essentially be categorized into 3 dimensions roughly, which are 1. Organizational commitment initiated from member's attitude; 2. Organizational commitment initiated from member's behavior and 3. Organizational commitment initiated from integration point of view.

Given the statement mentioned above, organizational commitment could essentially be divided into 3 dimensions, including attitude, behavior and integration perspective, however, subsequent studies have inclined to establishing organizational commitment upon integration perspective after a composite of continuance commitment, cohesion commitment and control commitment for organizational commitment of organization members is proposed by Kanter (1968) , therefore, the study will be developed upon te the organizational commitment concept developed by Meyer & Allen (1987) .

ORGANIZATIONAL CITIZENSHIP BEHAVIOR

Actually, there was no such term like "organizational citizenship behavior" for the organizational behavior field in early days. The concept was firstly proposed by Bernard (1938) , he pointed out that organization is a cooperative group while the members within organizations should have an intention to devote themselves to the organization, in which this intention at least should conform to the definition rendered to the role by the organization. After that, what Katz (1964) has mentioned in his book "The Motivational Basis of Organizational Behavior" is closest to the concepts of interpersonal relationship and organizational citizenship behavior within organizations, in his point of view, to ensure an effective operation of organization and boost its effectiveness, there are 3 behaviors that employees within organizations should perform :

1. Organization members have to be further led and stay in the system;
2. Organization members have to fulfill their role duties upon a reliable manner.
3. Organization members have to develop behaviors that exceed the duties appointed to the role and to realize the objectives of organization upon innovative and spontaneous act.

As the so-called “spontaneous act” of organization members exceeds the guidelines to the official role of organization, it is generally called “extra-role behavior” in early days to facilitate differentiation from “in-role behavior” of work manual or other official guidelines of organization. Moreover, Bateman & Organ (1983) have officially enabled employee’s spontaneity in the organization and pro-social behavior irrelevant to official regulations of organization and is called Citizenship Behavior.

The master of organization management – Robbins pointed out that there is a direct relationship between job satisfaction and employee productivity in 1994, the product performance will be enhanced immediately as long as employee’s job satisfaction is enhanced. The performance of organization and individual will certainly be enhanced once organizational citizenship behavior appears, while the shaping of organizational citizenship behavior can be further classified as below by 3 levels of organizations (individual level, group level and organization system level):

1. Individual level perspective: including employee trust, employee characteristics, personality, employee background, job characteristics, personal value etc.
2. Group level perspective: including leader-member relations, conflict within the group, leadership style, charisma and leadership style etc.
3. Organization level perspective: including compensation system, organizational culture, organizational commitment, education training style, employee-organization relationship, organization characteristics, job satisfaction, fairness and trust.

Related variables that might be caused by organizational citizenship behavior cover effects such as personal job performance, registration tendency, employee retention, customer complaint, overall productivity of organization, innovation ability.

In short, organizational citizenship behavior can be the outcome of effect (dependent variable) and could be the source of effect (independent variable); however, except fewer studies that regard organizational citizenship behavior as independent variable, organizational citizenship behavior is mostly discussed in terms of independent variable among the studies on organizational citizenship behavior domestically or abroad, while the research focus is centered on the effect of unitary-level variable on organizational citizenship behavior.

According to related studies mentioned above, studies of organizational citizenship behavior by local and overseas scholars all adopted different variables in different levels to explore the key or major variable that leads occurrence of organizational citizenship behavior, however, a common concept or model cannot be discovered up to now to support the result.

BRILLIANT INTELLIGENCE

The Brilliant Intelligence (BQ) is a new benchmark for measurement that applies to global enterprises and recruitment by HR test for the time being, is a new mainstream to examine the outstanding capability of enterprise and individual in the workplace; in which the BQ covers a table of brilliant measurement formed by 30 questions covering Brain, Beauty and Behavior dimensions. According to the survey : 1. The career force of service industry in Taiwan has stepped toward an era of “quality”; 2. An attention to BQ by enterprises signifies a value-added function of workplace BQ to individuals; 3. Total marketing and public age have come.

In addition, the features of enterprise BQ extended from personal BQ by related scholars are as below respectively: 1. inside-out style of business culture; 2. Charisma created by business leader ; 3. Brand personality of business.

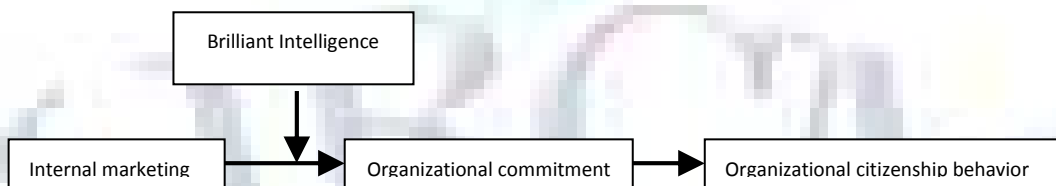
How BQ capability is established? Self awareness, social awareness, self management and interpersonal relationship management are needed; here are methods to establish BQ capability:

1. Beauty-Beauty, requires self awareness ability of esthetics consciousness and esthetics perception, and has to be confident to interpret and acknowledge the effect of various external and internal environments; to know self evaluation precisely.
2. Brain—workplace IQ+EQ-Workplace IQ requires area of expertise, innovation ability and creativity force and in the meantime, equipped with strong motive to enhance self ability, to pursue excellent performance and other self management. Workplace EQ, requires courage, optimism and impulse and other achievement motives, it but also, needs to adapt to changeable environment and conquer the difficulty and emotion control ability for conflict management. Requiring healthy interpersonal relationship management, needs to have affinity and sympathy, feel the emotion of others, understand perspectives of others and care about others proactively.
3. Behavior-Behavior is to look at oneself through other people’s eyes; therefore, you need to rely on social awareness, interpersonal relationship management and self management. To make yourself look energetic and at the same time, make use of body language well, control the situation and show the poise externally, to manage oneself upon style/creativity and sense of style. You should be able to affect other people for sure, therefore, an ability to motivate need deed and new thinking is required, and get acquainted with interpersonal relationship management, be able to interpret the trend of development, decision network and business operation within the groups.

METHODOLOGY

According to research motive and purpose, literature review, the study introduces employee’s perception of “internal marketing” and “organizational commitment” of chain groups among high technology industries in Taiwan as independent variables, as well as mutual influence between moderating variable “BQ” and its dependent variable “organizational citizenship behavior” and to propose the research framework of the study accordingly (Figure 1).

FIGURE 1: RESEARCH FRAMEWORK



RESEARCH HYPOTHESES

Hypotheses are proposed as below after the aforementioned literature review and research framework of the study is verified:

1. Personal characteristic variables reported no significant correlation among internal marketing, organizational commitment and organizational citizenship behavior.
 - H1-1 : Employees by gender reported no significant difference in various research variables.
 - H1-2 : Employees by different units reported no significant difference in various research variables
2. A discussion of correlation among internal marketing, organizational commitment and organizational citizenship behavior.
 - H2-1 : No significant correlation among internal marketing, organizational commitment and organizational citizenship behavior.
 - H2-2 : No significant correlation among various sub-dimensions of internal marketing and organizational commitment.
 - H2-3 : No significant correlation among various sub-dimensions of internal marketing and organizational citizenship behavior.
 - H2-4 : No significant correlation among various sub-dimensions of organizational commitment and organizational citizenship behavior.

DEFINITION AND MEASUREMENT OF OPERABILITY FOR DIMENSION VARIABLE

The study introduces questionnaire as a tool for data collection, with definition and measurement method of operability for related variables are listed as below upon aforementioned research framework.

1. Internal marketing

The study introduces opinions of Gronross(2001) and related scholars with internal marketing defined as : internal marketing is a concept adopts service marketing, which regards employees as customers to create a complete internal operating environment , develop employees with customer oriented and service perception and good professional competence for the pursuit of joint interest of employee and enterprise, so as to achieve the goals of enterprise in satisfying customer needs and foster operating performance, with design of measurement table referred to the empirical measurement by Wu (2001) and with internal marketing divided into 4 dimensions - education training, management support, communication and incentive, and including total up 35 questions and is designed upon Likert Scale.

2. Organizational commitment

The study regards organizational commitment as a commitment of organization members to truly strive for the organizational objectives proactively, which is mainly attitude and affection driven, in which the organizational commitment questionnaire (OCQ) developed by Meyer & Allen (1993) will be introduced here for measurement, the questionnaire reports 18 questions covering 3 dimensions :

(1) Affective commitment: a thought of employees to continue to work and stay in the organization willingly;

(2) Normative commitment : Emphasize on loyalty to organization is the outcome of social experience developmet, or benefits acquired from organization, with liability generated in members' mind to repay the organization;

(3) Continuance commitment: Associated with perceived cost of employees who leave the organization, which is a commitment of employees to stay in the organization.

3. Organizational citizenship behavior

The study introduces empirical perspective and classifies organizational citizenship behavior into two types: (1) OCB-Organization (OCBO), a behavior that is favorable to organization; (2) OCB-individuals (OCBI), a behavior that is beneficial to particular individuals and to show contribution to the organization through such manner indirectly, which could be summarized into two dimensions and 21 questions:

(1) OCBI : a behavior of member to actively help people, show concern to other colleagues and make profit to organization through assistance on job to colleague indirectly ;

(2) OCBO: a behavior that members perform for overall interest of organization.

4. BQ

The study referred to the Brilliant Intelligence (BQ) measurement published on Harvard Business Review (HRB, 2006) to examine the benchmark for measurement that applies to global enterprises and recruitment by HR test in Taiwan, is a new mainstream to examine the outstanding capability of enterprise and individual in the workplace; In which the BQ covers a table of brilliant measurement formed by 30 questions covering Brain, Beauty and Behavior dimensions.

SAMPLE BACKGROUND VARIABLES

The background variables of the study covering 6 dimensions - gender (male, female), age (under 24, 25-34, 35-44 and over 45), education level (senior/vocational high school below, junior college, university and graduate school above), marital status (married, single), service department (marketing, R&D, management and manufacturing departments) and length of service (under 2 years, 2-4 years, 4-6 years and above 6 years) of employees and to design upon category variable accordingly.

RESEARCH OBJECTS AND SAMPLING DESIGN

The study is mainly to explore the correlation among employees' internal marketing perception, organizational commitment and organizational citizenship behavior in high technology industries, with target audiences focused on the first-level employees of high technology industries in Taiwan; including TSMC, MediaTek, Semdica Int'l Corp., Semdica Technology Corporation, Nanya Technology Corporation; with an inquiry made to the head of HR department whether "internal marketing behavior" is executed on that high technology industry before questionnaire was distributed, and to ask for intention of questionnaire distribution once a positive feedback is received. The questionnaire was issued by Chunghwa Telecom through network system between Dec. 1st, 2005-Jan. 31st, 2006, with 400 questionnaires issued in total and a gift given in return to those respondents who fully complete the questionnaire, therefore reporting a better rate of return; according to the statistics, 345 questionnaires are returned deducting 37 questionnaires with income answer, totaling up 308 valid questionnaires and reporting a 89.28% rate of return.

RESEARCH RESULTS

The study targets first-level employees of high technology industries in Taiwan; including TSMC, MediaTek, Semdica Int'l Corp., Semdica Technology Corporation and Nanya Technology Corporation as population with convenience sampling introduced and 400 employees selected, reporting 308 valid questionnaires returned in total (89.28% effective rate of return). According to data distribution of sample, the service personnel of high technology industries reported a majority of less than 3 years length of work (above 50%), it is thus clear that the employees of high technology industries reported higher turnover rate and hence managers of high technology industries should be more devoted to internal marketing execution so as to enhance the centripetal force between employees on the organization (Table 1) .

TABLE1: DISTRIBUTION OF SAMPLE CHARACTERISTICS

	N	%
Gender		
Male	170	55.2%
Female	138	44.8%
marriage		
Married	112	36.4%
Unmarried	196	36.6%
Age		
Under 24 years of age	50	16.2%
25 to 34 years	210	68.2%
35 to 44 years	44	14.3%
Above 45 years of age	4	1.3%
Education		
Under senior high school	52	16.9%
Graduated from professional school	90	29.2%
Graduated from university	138	44.8%
Graduated graduate school or above	28	9.1%
Department		
Marketing department	92	29.9%
R&D department	54	17.5%
Management department	82	26.6%
Production department	80	26.0%
Years of service		
Under 2 years	94	30.5%
Over 2 years~under 4 years	62	20.1%
Over 4 years~under 6 years	84	27.3%
Above 6 years	68	22.1%
Total	308	100%

On table 2 refers average and standard deviation of various research variables which are used to understand the distribution of various variables, with performance of BQ of employees at high technology industries firstly discussed. Employees reported higher scores than average (3.89) in terms of brain and beauty while "behavior" simply reported 3.41 scores in average, showing that managers of high technology industries should pay attention to planning and execution of employee's behavior performance for service industry of today is full of execution concept between employees of high technology industries; besides, as far as internal marketing perception is concerned, the averages of 4 variables all fall around 3.23, and hence there is room for improvement in advertising of internal marketing execution among high technology industries in Taiwan; employees reported pretty good loyalty and value identification in terms of affective, normative and continuance commitments among the 3 variables of organizational commitment, however, a potential intention of employees on organizational commitment is failed to show; as far as organizational citizenship behavior is concerned, employees showed lower level of perception, indicating that managers should revise or reinforce mean or method of stimulating employee's organizational citizenship behavior. A factor analysis on the measurement will be conducted in terms of employees' perception of internal marketing, organizational commitment and organizational citizenship behavior in this section, with factors in common of various dimensions summarized along with reliability analysis to examine whether there is consistency between questions of one factor or factors. Whether there is covariance between various variables or questions should be confirmed before factor analysis is conducted.

TABLE2: STATISTIC VALUE FROM EACH VARIABLE (N=308)

Concept	variable	μ	s	Concept	variable	μ	s
Brilliant Intelligence		3.89	.472	Organizational commitment		3.71	.504
	Beauty	4.21	.397		Affective commitment	3.75	.567
	Brain	4.21	.563		Normative commitment		
	Behavior	3.41	.451		Continuance commitment	3.65	.612
						3.74	.531
Internal marketing		3.23	.521	OCB		3.11	.543
	Education training	3.33	.650		OCBI	3.10	.632
	Management support	2.71	.675		OCBO	3.11	.733
	Communication	3.08	.795				
	Incentive	3.82	.452				

The most frequent method that applies to factor analysis is goodness-of-fit test by KMO value and sampling of Bartlett's test of sphericity to moderately measure to examine whether a factor analysis of various dimensions of the study is conducted, if KMO is bigger than 0.7, p value of Bartlett's test of sphericity is close to 0 then a factor analysis could be conducted immediately. Questionnaire execution and return result are shown as Table 4 below through statistical software analysis, in which the KMO values of employees' internal marketing perception, organizational commitment and organizational citizenship behavior at high technology industries are 0.908, 0.951 and 0.912 respectively, while the value of Bartlett's test of sphericity all attained level of significance, showing that there is common factor existed in related matrix of population (Table 3).

TABLE 3: TEST FINDING THROUGH KMO AND BARTLETT'S TEST

Test method \ Concept	Internal marketing	Organizational commitment	OCB
KMO	0.908	0.951	0.912
Bartlett's	0.000***	0.000***	0.000***

***:p<.001

There are 33 questions under internal marketing dimension, with 3 factor dimensions abstracted after a factor analysis, which are "education training", "communication", "management support" and "incentive", also, the characteristic values of various factor dimensions are all bigger than 1, reporting up to 61.428% total explained variance, Cronbach's α reliability analysis is conducted in terms of these 4 factor dimensions, reporting high reliability at over 0.7, which are 0.8425, 0.8212, 0.8597 and 0.8014, respectively.

There are 17 questions under organizational commitment dimension, with 3 factor dimensions abstracted after a factor analysis, which are "affective commitment", "normative commitment" and "continuance commitment", also, the characteristic values of various factor dimensions are all bigger than 1,

reporting up to 53.442% total explained variance, Cronbach's α reliability analysis is conducted in terms of these 3 factor dimensions, reporting high reliability at 0.7, which are 0.8026, 0.7788 and 0.7721.

There are 20 questions under organizational citizenship dimension, with 2 factor dimensions abstracted after a factor analysis, which are "altruistic behavior", "organizational citizenship behavior", also, the characteristic values of various factor dimensions are all bigger than 1, reporting up to 56.158% total explained variance, Cronbach's α reliability analysis is conducted in terms of these 2 factor dimensions, reporting high reliability at over 0.7, which are 0.8633 and 0.8082.

This section is to further verify whether there is significant correlation between employees of high technology industries in terms of internal marketing perception, organizational commitment and organizational citizenship behavior, with Pearson's correlation coefficient introduced as follow.

According to Table 4, a positive correlation is existed among education training, communication, management support and incentive of internal marketing, and affective commitment, normative commitment and continuance commitment of organizational commitment, showing that the higher the internal marketing perceived by employees of high technology industries through media education training, communication, management support and incentive, the higher the affective, normative and continuance commitment of organizational commitment.

TABLE 4: RELATIVE ANALYSIS BETWEEN INTERNAL MARKETING AND ORGANIZATIONAL COMMITMENT

concept	Organizational commitment	Affective commitment	Normative commitment	Continuance commitment
Internal marketing	0.676***	0.589***	0.623***	0.618***
Education training	0.541***	0.426***	0.497***	0.532***
Communication	0.549***	0.499***	0.510***	0.462***
Management support	0.786***	0.697***	0.754***	0.601***
Incentive	0.514***	0.415***	0.500***	0.495***

* : $p < .05$, ** : $p < .01$, *** : $p < .001$

According to Table 5, a positive correlation is existed among education training, communication, management support and incentive of internal marketing, and altruistic behavior of organizational citizenship behavior and organizational citizenship behavior, showing that the higher the internal marketing perceived by employees of high technology industries through media education training, communication, management support and incentive, the higher the altruistic behavior of organizational citizenship behavior and organizational citizenship behavior.

TABLE 5: RELATIVE ANALYSIS BETWEEN INTERNAL MARKETING AND OCB

concept	OCB	OCBI	OCBO
Internal marketing	0.652***	0.560***	0.589***
Education training	0.394***	0.352***	0.356***
Communication	0.495***	0.426***	0.401***
Management support	0.442***	0.394***	0.312***
Incentive	0.641***	0.602***	0.584***

* : $p < .05$, ** : $p < .01$, *** : $p < .001$

According to Table 6, a positive correlation is existed among affective, normative and continuance commitment of organizational commitment, and altruistic behavior of organizational citizenship behavior and organizational citizenship behavior and other sub-dimensions, showing that the higher the affective, normative and continuance commitment of organizational commitment perceived by employees of high technology industries, the higher the altruistic behavior of organizational citizenship behavior and the organizational citizenship behavior.

TABLE 6: RELATIVE ANALYSIS BETWEEN ORGANIZATIONAL COMMITMENT AND OCB

concept	OCB	OCBI	OCBO
organizational commitment	0.668***	0.551***	0.578***
Affective commitment	0.412***	0.397***	0.405***
Normative commitment	0.589***	0.499***	0.547***
Continuance commitment	0.514***	0.457***	0.489***

* : $p < .05$, ** : $p < .01$, *** : $p < .001$

According to Table 7, employees of high technology industries in different gender reported significant difference in education training, incentive and organizational commitment of internal marketing, and its normative commitment, BQ and behavior (male reports higher level of perception than female) in terms of internal marketing, organizational commitment and organizational citizenship behavior, BQ dimensions, showing that male employees are more inclined to regular way of management that enterprises use to enable more official commitment to the organization, and to repay the organization by a manner of behavior (Table 7).

TABLE7: VARIANCE ANALYSIS FROM DIFFERENT GENDER

concept	Category standards	μ		F	P	Scheffe
		1 Male	2 Female			
Internal marketing		3.51	3.48	1.607	0.124	
Education training		3.60	3.46	1.032	0.005*	1>2
Communication		3.54	3.42	1.329	0.0467	
Management support		3.48	3.49	1.119	0.667	
Incentive		3.29	3.21	0.996	0.031*	1>2
Organizational commitment		3.52	3.32	0.638	0.034*	1>2
Affective commitment		3.75	3.80	1.453	0.514	
Normative commitment		3.52	3.28	0.065	0.004**	1>2
Continuance commitment		3.54	3.62	0.456	0.142	
OCB		3.26	3.16	0.695	0.301	
OCBI		3.58	3.39	0.537	0.324	
OCBO		2.78	2.58	1.064	0.510	
BQ		3.47	3.40	1.508	0.002**	1>2
Brain		3.49	3.49	0.908	0.214	
Beauty		3.51	3.47	1.348	0.084	
Behavior		3.32	3.13	7.67	0.005*	1>2

According to Table 8, employees of high technology industries in different units reported significant difference in BQ and behavior (employees of manufacturing department reported higher level of perception than rest of other 3 departments) in terms of internal marketing, organizational commitment, organizational citizenship behavior and BQ dimensions, showing that employees of manufacturing department pay attention to the performance of BQ characteristics more, behavior in particular; indicating that the employees of manufacturing departments are more inclined to production through brain and behavior (Table 8).

TABLE8: VARIANCE ANALYSIS FROM DIFFERENT DEPARTMENT

μ concept	Category standards	1	2	3	4	F	P	Scheffe
		marketing	R&D	Management	Production			
Internal marketing		3.67	3.65	3.65	3.45	1.607	0.124	
Education training		3.95	3.95	3.93	4.00	1.032	0.421	
Communication		3.44	3.42	3.43	3.65	1.329	0.047	
Management support		3.45	3.36	3.41	3.37	1.119	0.667	
Incentive		3.92	3.96	3.94	4.01	0.996	0.072	
Organizational commitment		3.70	3.71	3.70	3.72	0.638	0.084	
Affective commitment		3.49	3.80	3.47	3.69	1.453	0.514	
Normative commitment		3.83	3.81	3.82	3.78	0.065	0.467	
Continuance commitment		3.80	3.81	3.79	3.85	0.456	0.142	
OCB		3.60	3.59	3.59	3.63	0.695	0.301	
OCBI		3.73	3.75	3.73	3.77	0.537	0.324	
OCBO		3.47	3.44	3.45	3.49	1.064	0.510	
BQ		3.80	3.85	3.81	3.91	1.508	0.002*	4>3>2>1
Brain		2.90	3.04	2.93	3.12	0.908	0.214	
Beauty		3.71	3.69	3.69	3.74	1.348	0.084	
Behavior		3.18	3.21	3.18	3.37	7.67	0.005*	4>3>2>1

CONCLUSION

The verification results of hypotheses assumed by the study were summarized as below upon the results of empirical analyses mentioned above: According to t test, there is significant difference in education training, incentive, organizational commitment and normative commitment, BQ and behavior of various variables for employees by gender in terms of perception level; i.e., male employees reported higher level of perception on aforementioned variables than female employees. There is no significant difference in various variables between members by different units except employees of manufacturing department reported significant difference in BQ and behavior variables.

A discussion on the correlation among employee’s internal marketing, organizational commitment and organizational citizenship behavior. A positive correlation is shown between various dimensions of internal marketing and various dimensions of organizational commitment. A positive correlation is shown between various dimensions of internal marketing and various dimensions of organizational citizenship behavior.

The study is mainly to discuss and understand employee’s perception of marketing marketing, organizational commitment, organizational citizenship behavior and BQ among high technology industries in Taiwan, with correlation of various variables, difference between various variables and level of influence on organizational citizenship behavior analyzed. The study is stated upon the aforementioned result of hypothesis analysis set, with related suggestions proposed to provide as a reference to subsequent academic study and practices.

Whether there is significant difference in various variables in terms of characteristics of responded employees. Among variables of internal marketing, employees of high technology industries by gender reported significant difference in terms of sub-dimensions of internal marketing-education training and incentive, i.e. male reported higher level of perception in that variable than female respondents. Among variables of organizational commitment, employees of high technology industries by gender reported significant difference in terms of organizational commitment and its sub-dimensions – normative commitment, i.e., male reported higher perception on that variable than female respondents while others reported no significant difference. Among variables of organizational citizenship behavior, employees of high technology industries reported no significant difference in no matter the gender or service unit. Among variables of BQ, employees of high technology industries by gender reported significant difference in terms of BQ and its sub-dimension – behavior; while the BQ and behavior dimensions of manufacturing unit are significantly different from other departments such as marketing department, R&D department and management department in terms of service department.

It is thus clear that there is significant difference in sub-dimension of internal marketing – education training and incentive, organizational commitment and its sub-dimension – normative commitment, BQ and its sub-dimension between male and female employees of high technology industries in Taiwan, while male reported bigger difference than female, it is known that male employees of high technology industries will be able to accept any measures, plans and strategies of internal marketing driven by official channels such as education training and incentive of the company, and further incline to loyal normative commitment; besides, male employee’s BQ and its sub-dimension are significant different from female employees, it is inferred that it is associated with a hypothesis on significant difference in BQ of different units, in which the result showed that more male workers than female of manufacturing department is perhaps what leads to BQ of manufacturing department is significantly different from other departments.

A positive correlation relationship is shown between various dimensions and its sub-dimensions, to speak from HR management and promotion of internal policy within the organization, the higher the perception of employees at high technology industries on internal marketing, the easier they are to deeply acknowledge the business strategy and regulation proposed upon any changes in people, matter, time, place and object, and to further generate high organizational commitment to the enterprise or unit at service, and relatively, to slowly develop a more imperceptible organizational citizenship behavior that well upraises from the organization.

SUGGESTIONS

Facing a prosperous development of high technology industries of today, and a more acute and diverse competition between various enterprises, the product produced or marketing strategy, research and development of innovative technology are no more key criteria to business success, the entrepreneurs have to learn a concept of “internal marketing” that has been applied to service industry for a long time, to experience with heart and to spare no efforts to understand and obey the old and new rules that enterprises want employees to abide by and to put into practice, just like a symphony or dolphin-styled like organization, to stay agile, flexible and an attitude to follow all the time, therefore, employees who report higher internal marketing perception will be the most imperative lethal weapon in the 21st century.

Of course, the internal/external distinguishing characteristics equipped by employees themselves were never paid attention to while employees of high technology industries were discussed by domestic and abroad studies in terms of policy, leadership style, laws and regulations ...from “organization perspective”, in fact, the achievement and contribution of employees to organization will subject to many acquired factors, therefore, entrepreneurs are

suggested to drive organizational strategy in terms of multi-dimensions in the future, e.g., the personality trait that "BQ" represents for to cooperate with related internal marketing methods to further cause organizational commitment and organizational citizenship behavior between employees.

"Employees" were gradually converted from manpower cost to "human asset" concept, therefore, entrepreneurs should design plans or education that they would like to promote now or in the future, to think the benefits generated and employee achievement from "employee" perspective to attain twice the result with half the effort.

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WORLD

AN IDENTIFICATION OF CRITICAL STRATEGIC SUCCESS FACTORS THAT MAKES ETHIOPIA ONE OF THE MOST ATTRACTIVE TOURIST DESTINATION

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ABSTRACT

The main purpose of this study is to identify the critical strategic success factors and promotion strategies used by the government and other stakeholders for making the country as one of the most attractive tourist destination in the world. The study analyzed the responses of management members and experts of Ministry of Culture and Tourism (MOCT), management and senior experts working in travel and tour operators, ex-managers and experts of MOCT and authorities in the field. The purpose of the questionnaire was directed to these groups of people to identify the strategic success factor that makes the country as one of the most competitive and attractive tourist destination. The most significant factors related to Economic and Social Factors for sustainable growth of tourism, destination Management Processes Factors and Future Growth and Sustainable Development Factors were identified using factor analysis- Varimax with Kaiser Normalization. Tourism marketers and policy makers are provided with the requested information related to the most critical success factors such as sustainable growth of tourism, destination management processes as well as future growth and sustainable development that will make the country as one of the most tourist attractive destination.

KEYWORDS

Destination, growth, development, factors, promotion, success.

INTRODUCTION

Ethiopia is one of the largest countries in sub-Saharan Africa. The country covers 1.14 million square kilometer and occupying a large part of the horn of Africa. According to the world fact book (2007), the land boundaries which consists of 5,328km border countries total where Djibouti 349 km, Eritrea 912 km, Kenya 861 km, Somalia 1,600 km and Sudan 1,606 km.



Map of Federal Democratic Republic of Ethiopia (FDRE)

Ethiopia is beautifully endowed with many kinds of flora and is natural heaven for many kinds of wildlife and avifauna. More than 800 species of birds reside in Ethiopia of which 23 are endemic to the country. There are more than 100 mammal species, of which seven of the big mammals are unique to Ethiopia.

The mountains, the lakes and the rivers of the country have many fascinating features. There are 25 mountains in central and northern Ethiopia, which are over 400 meters high above sea level and 60 of them are over 3000 meters. The 4th – highest pick of Africa's Mountain Ras Dashen is also located in Ethiopia. Ethiopia is a country enjoying great geographical features ranging from highest peak at Ras Dashen ...4,550 meters above sea level...the Afar Depression...110m below sea level. More than 50% of the country lies above 1,500 meters.

There are broadly three climatic zones; the 'kola' or hot lowlands (below approximately 1,500 meters), 'weyna Dega' (1,500-2,400 meters) and "Dega "above 2,400 meters with a mean annual temperature that range from 10-16^oc, 16-29^oc in the 'Weyna Dega' and 29-33^oc in the 'Kolla'. It has colorful and unique national festivals, arts and handicrafts, music, folklore, native life and customs but it can not make use of all this inventory of tourist attraction points.

Ethiopia is a country of "thirteen months of sunshine". The principal rainy season is from June –September, while it is relatively dry for the rest of the months except a little interruption of rain in February and March. The average temperature of the country is 18 degree centigrade in the hottest seasons and 14 Degree centigrade in the rainy season. The average annual rainfall of the central highlands is 1,000 mm. The coldest nights in the country are registered in November and December while the wettest Months are July and August. Humidity varies between 50 % and 80 % throughout the year.

Ethiopia is rich in History. Its history extends in the pre-historic period when written history was not available. Among other things, the eight world heritage sites namely the Axsum obelisks, the castles of Gondar, the Semien mountain National Park, the rock-hewan churches of Lalibela, the Stale of Tiya, Hadar (where Lucy was found) the lower Omo valley paleoantropological site and the walled city of Harar registered by UNESCO as world heritages, testify Ethiopia's might of ancient times and the endowment of the country with significant tourist attractions site.

The Ethiopian Airlines (EAL) is one of Africa's space-selling airlines with the fastest growing system of international routes within and outside of the continent and as well as complementing travels within the country.

As cited in <http://www.csa.gov.et> the census carried out at a national level showed that the population of Ethiopia up to December, 2008 has risen to 76.9 million (Nearly 77 Million). According to the world fact book (2007), the GDP - composition by sector consists agriculture: 47%, Industry 13.2% and Services 39.8%; GDP - real growth rate 11.1% and GDP - per capita (PPP) \$700

The country is endowed with unique combination of natural and cultural heritages, impressive scenery, suitable climate, rich flora and fauna and recognized archaeological sites.

Its capital Addis Ababa is the venue and unchallenged political capital of Africa being the seat of many international organizations including the African Union (AU) and the United Nations Economic Commissions for Africa (UNECA).

Ethiopia is truly a land of contrasts and extremes; a land of remote and wild places. Some of the highest and most stunning places on the African continent are found here, such as the jaggedly carved Semien Mountains, one of United Nations Education, Science, Culture Organization's (UNESCO's) World Heritage Sites - and some of the lowest, such as the hot but fascinating Danakil Depression, with its sulphur fumaroles and lunar-like landscape. Ethiopia is old; old beyond all imaginations. As Abyssinia, its culture and traditions date back over 3,000 years. And far earlier than that lived "Lucy" or Dinknesh, meaning 'thou art wonderful', as she is known to the Ethiopians, whose remains were found in a corner of this country of mystery and contrasts.

According to Hancock (1994), Ethiopia is a land of beautiful scenery mountains, canyons, oral creeps, cliffs, rivers, great many lakes, waterfalls, forests grasslands, settlement features like towns, cities, villages, historical remains, archeological remains, open countryside, beaches art galleries caravans, depressions, resort complexes.

Endowed with all the above natural and historical heritages Ethiopia is not able to generate sufficient amount foreign currency from tourism. This is where the paradox comes. Thus, one has to question himself what will make Ethiopia a tourist destination. What are the critical strategic success factors and promotional strategies that need be taken to make the country one of the most attractive destination in the world?

Critical success factors are "events, conditions, circumstances or activities. Specifically, they are limited number of areas in which results, if they are satisfactory, will ensure the successful competitive performance of the organization" (Jenster, 1987). Critical success factors are sub-goals, end -statements, characteristics, conditions or variables that are critical for the attainment of the organization's missions and ultimate success" (Hardaker and Ward, 1987). The critical success factors are resources, skills and attributes of an organization that are essential to deliver success" (Lynch, 2003).

Critical success factors are identified and integrated by using four perspectives, namely, sustainable growth, the customer, destination management processes, and learning and growth.

a) Sustainable growth perspectives measure the sustainable growth that the tourism destination generates for all the stakeholders. According to Hassen (2000), it is critical for destination development plans to be compatible with environment and social integrity for the tourism industry to maintain the economic viability. World Travel and Tourism Council (2001) notes that sustainable travel and tourism development relies upon policies which support harmonious relationships among travelers, local communities, the private sector and governments to balance natural, built and cultural environments with economic growth and stability:

b) Customer perspective: Kaplan and Norton (1996) divide customer value proportions into three parts: customer acquisitions, satisfaction and retentions. The critical success area identified for customer acquisition is destination image. Various works on tourism, particularly those of Fakey and Crompton (1991) and Kim (1998) indicate that the primary goal in promoting a destination and acquiring customers is to project a positive image to potential tourists so that the product becomes desirable.

c) Destination management processes: Various areas and levels of government are involved in the promotion, regulation, presentation, planning, monitoring, maintenance, coordination, enhancement and organization of tourism resources at the macro level (Dwyer, 2001). As Buuhalis (2000) noted, Destination Management Organizations (DMOs), which include convention and visitor bureaus and national and regional tourism organizations, have overall responsibility for the entire destination product and through incentives and policies facilitate the development of product and create local partnerships for the delivery of seamless experiences.

d) Learning and growth perspective: identifies the infrastructure that the destination must build to create long-term growth and improvement (Kaplan and Norton, 1996). Destinations are unlikely to meet their sustainable growth targets by simply using today's technologies and capabilities. International competitions also require that destinations continually improve their products, infrastructure, systems and capabilities for delivery to customers and stakeholders. Kaplan and Norton (1996) noted that learning and growth comes from three principal sources: people, systems and organizational procedures. Jonker et al (2004) tried to investigate the most important critical factors for making South Africa as a tourism destination using the strategic integration of destination success factors (Kaplan and Norton, 1998).

METHODS

This study analyzed the opinion of management members and experts of Ministry of Culture and Tourism (MOCT), Management and senior experts working in travel and tour operators, ex-managers and experts of MOCT and authorities in the field.

The purpose of the questionnaire was directed to these groups of people to identify the strategic success factor that makes the country as one of the most competitive and attractive tourist destination. The questionnaire tried to solicit answers for various critical strategic success factors grouped in three broader headings: Sustainable growth, destination management process and future growth and sustainable development of tourism in Ethiopia so as to make Ethiopia as one of the most competitive and attractive tourist destination in the world. The marketing experts were used to facilitate the filling of the questionnaires at each level in the respective stakeholder organizations while individual experts and authorities were contacted on informal lines.

The number of questionnaires distributed were 150 and all were distributed both at federal and regional state level. The number of usable questionnaires was 78. The actual response rate was 52 % (78/150). The sample size for this study thus comprises of 78 respondents representing major stakeholders involving Ethiopian Tourism Industry. Regarding sample size determination, Yoon (2002) argues that, in general, there is no correct sample size, although larger sample sizes are always preferable. Once the data's were collected, then the questionnaires were edited, coded, entered and processed using SPSS. During analysis both Factor analysis and stepwise multiple regression analysis methods were applied, wherever they were deemed appropriate.

DATA ANALYSIS AND INTERPRETATION

STRATEGIC FACTORS FOR SUSTAINABLE GROWTH OF TOURISM IN ETHIOPIA

Factor Analysis was used to identify the most important and critical strategic economic and socio- environmental factors that will help Ethiopia to be one of the most attractive tourist destination in the world.

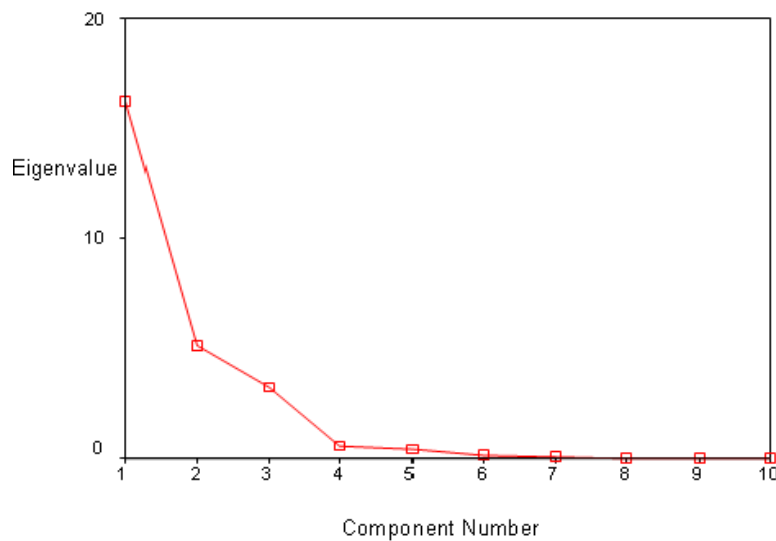
TABLE 1: STRATEGIC FACTORS FOR SUSTAINABLE GROWTH OF TOURISM

Economic and Social Factors	Factor Loadings	Eigen Values	Variation (%)
Component 1		5.143	51.428
Tourism's contribution to Ethiopia's GDP	.952		
Foreign exchange earned	.950		
Ethiopia's share of the long haul tourism market	.923		
Volume of revenue composition of foreign portfolio	.896		
Number of tourist arrivals to Ethiopia	.499		
Component 2		2.939	29.392
Increased community involvement in tourism	.963		
Transformation of tourism industry	.902		
Implementation of responsible environmental practices	.901		
Increased entrepreneurial opportunities for disadvantaged persons	.885		
Tourism contribution to employment & job creation	.630		
Cumulative variance (%)			80.821

Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization. Rotation converged in 3 iterations.

Table 1 represents the factor loadings for each variable on the components after rotations. Each number represents the partial correlation between the item and the rotated factor. The first component deals with economic performance and contains 5 items while the second category deals with socio-environmental factors with the same number of items. All of the above tourism sustainable growth factors are significant and none of them are dropped because all the rotated factor loadings are above 0.4.

Graph 1: Critical Strategic Factors on Sustainable Tourism in Ethiopia



According to the Eigen value and variance (%) all the two components explain 80.821% of the variance, while 19.8 % of the variance is unexplained. From the two components, component 1 is found to be the most important explaining 51.428 % of the variance while component 2 explains only 29.392 % of the variance.

Graph 1 Scree plot explains the change in variation at each factor. The Scree plot suggests in the ten factor solution the two components contribute a larger part of the data, while other component numbers are contributing a little in the variation as we move to the right.

CRITICAL AND STRATEGIC SUCCESS FACTORS OF DESTINATION MANAGEMENT PROCESSES IN ETHIOPIA

National management process factors that ensure the success of tourism in Ethiopia were factor analyzed using Varimax with Kaiser Normalization method as follows. Data's collected using a 5 point rating scale on 22 factors was analyzed below.

Table 2 represents the factor loadings for each variable on the components after rotations. Each number represents the partial correlation between the item and the rotated factor. The components deals with destination organization, and coordination, destination marketing, human resource management, responsible strategic management and consists of related items under each grouping as indicated in the table. All of the destination management process factors are significant and none of them are dropped because all the rotated factor loadings are above 0.4.

TABLE 2: CRITICAL STRATEGIC SUCCESS FACTORS FOR DESTINATION MANAGEMENT PROCESS IN ETHIOPIA

Destination Management Processes Factors	Factor Loadings	Eigen Values	Variation (%)
Component I		9.774	44.425
Providing strategic directions	.924		
Formulated & implementing integrated destination strategies	.915		
Ensuring appropriate funding to sustain destination marketing organization	.858		
Determining relevant, viable & sustainable target markets	.851		
Putting mechanisms to preserve cultural integrity & authenticity	.825		
Packaging theming & routing current tourism attractions & experience & developing those with potential	.822		
Continuous market analysis	.664		
Ensuring appropriate destination marketing organizational all levels	.630		
Ensuring integrated promotion strategies(advertising,exhibitions,internet,workshop)	.605		
Component II		3.001	13.642
Promoting the importance of responsible tourism practices on the part of tourists, communities & the tourism industry	.892		
Incentivising tourism stakeholders who adhere to the principles of sustainable development	.873		
Putting mechanisms to protect the interest of local communities	.675		
Effective recruitment training & development of distribution marketing staff	.659		
Component III		2.457	11.169
Implementing appropriate benchmarking, monitoring & evaluation mechanisms	.940		
Continuous coordination & cooperation between tourism stakeholders	.830		
Ensuring effective distribution & sales	.660		
Ensuring environmental & social impact assessments as a base for future tourism development	.482		
Component IV		1.976	8.983
Implementing appropriate transformation strategies	.905		
Component V		1.711	7.777
Developing an effective branding strategy for destination	.690		
Developing an effective positioning strategy for destination	.654		
Ensuring appropriate labor relation & negotiations strategies & processes	.237		
Component VI		1.009	4.585
Providing appropriate career paths	.851		
Cumulative variance (%)			90.581

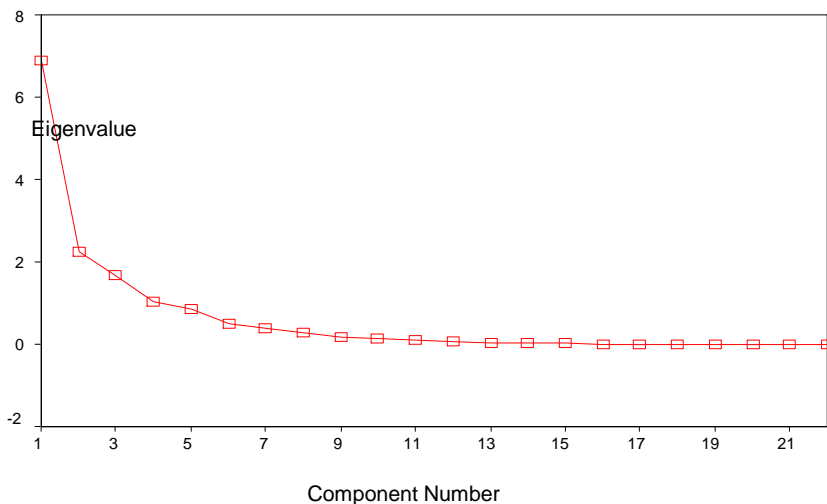
Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

Rotation converged in 7 iterations.

According to the Eigen value and variance (%) all the six components explain 90.581% of the variance, while 19.42 % of the variance is unexplained. From the six components, component 1 is found to be the most important explaining 44.425 % of the variance while component six explains only 4.585 % of the variance.

Graph 2: Destination Management Process in Ethiopia



The Scree plot explains the change in variation at each factor. The Scree plot suggests that the six factor solution contributes the larger part of the data and from component number 7 onwards, the eigenvalues are getting smaller and smaller with a little change in the variation contributed.

TABLE 3: CRITICAL AND STRATEGIC FACTORS FOR FUTURE GROWTH AND SUSTAINABLE DEVELOPMENT

Future Growth and Sustainable Development Factors	Factor Loadings	Eigen Values	Variation (%)
Component I		5.449	30.270
Exploiting new market opportunities & focusing on new market segments	.904		
Development of new airline alliances	.870		
Upgrading and further developing visitor services & facilities	.831		
Development of new attractions & experiences	.796		
Development of new tour routes & tour packages	.710		
Component II		4.234	23.523
Provision of appropriate public transport systems , roads, airports, rail ports	.934		
Computerized reservation system	.930		
Market research & intelligence	.767		
Safety & security management	.636		
Customer care programmes	.631		
Component III		2.851	15.837
Entrepreneurial support programmes	.884		
Community tourism awareness programmes	.817		
Integrated systems of information technology	.791		
Component III		2.208	12.265
Responsible destination planning and resource usage	.930		
Road signage & information networks	.825		
Optimal utilization of the internet & other technology-based tools(CD-ROMs)	.666		
Skills training & education	.617		
Provision of appropriate infrastructure (water, electricity)	.408		
Cumulative variance (%)			81.896

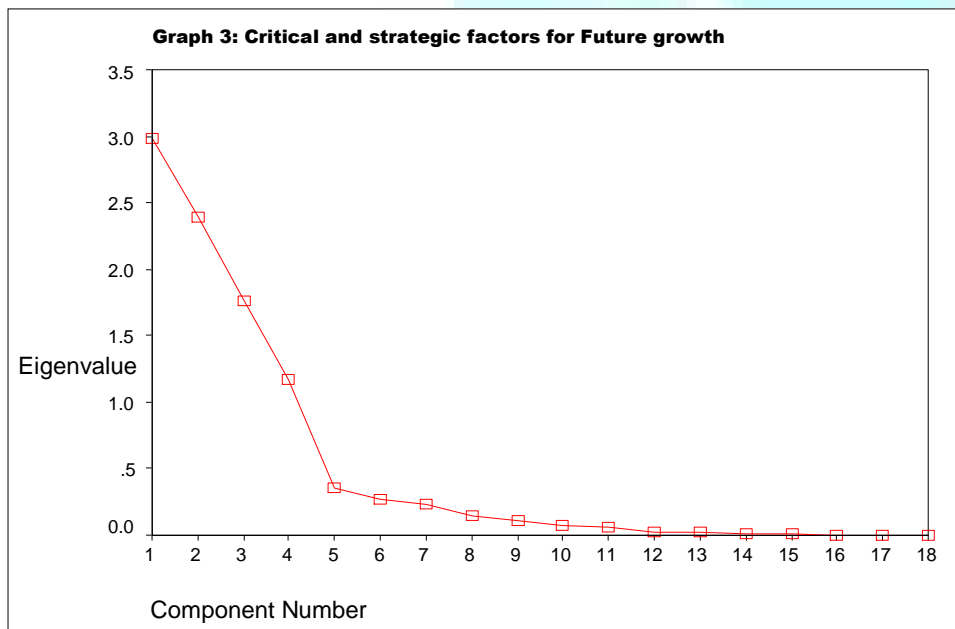
Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

Rotation converged in 6 iterations.

Table 3 represents the factor loadings for each variable on the components after rotations. Each number represents the partial correlation between the item and the rotated factor. The components deal with product and market development, infrastructure development and management, people development, system development and usage consists of related items under each grouping as indicated in the table.

All of the above destination management process factors are significant and none of them are dropped because all the rotated factor loadings are above 0.4. According to the Eigen value and variance (%) all the six components explain 81.896% of the variance, while 18.04 % of the variance is unexplained. From the six components, component 1 is found to be the most important explaining 30.270 % of the variance while component three explains only 12.265 % of the variance. If we further analyze the table component wise, Component 1 is highly loaded on exploiting new market opportunities and focusing on new market segments and so followed by development of new airline alliances. Component 2 is highly loaded on provision of appropriate public transport systems, roads, airports, rail ports.



The Scree plot (graph 2) explains the change in variation at each factor. The Scree plot suggests that the three factor solution contributes the larger part of the data and from component number 4 onwards the eigenvalues are getting smaller and smaller with a little change in the variation contributed.

PROMOTION BUDGET AND REVENUE GENERATED BY TOURIST TRAFFIC IN ETHIOPIA

H₀: There is no significant relationship among promotion budget, tourist traffic and revenue generated from tourism marketing in Ethiopia.

CORRELATION AMONG PROMOTION BUDGET, TOURIST TRAFFIC AND REVENUE GENERATED FROM TOURISM

TABLE 4: CORRELATION BETWEEN PROMOTION BUDGET, TOURIST TRAFFIC AND REVENUE GENERATED

		Promotion Budget	Tourist Traffic	Revenue Generated
Promotion Budget	Pearson Correlation	1	1.000(**)	1.000(**)
	Sig. (2-tailed)	.	.	.
	N	78	78	78
Tourist Traffic	Pearson Correlation	1.000(**)	1	1.000(**)
	Sig. (2-tailed)	.	.	.
	N	78	78	78
Revenue Generated	Pearson Correlation	1.000(**)	1.000(**)	1
	Sig. (2-tailed)	.	.	.
	N	78	78	78

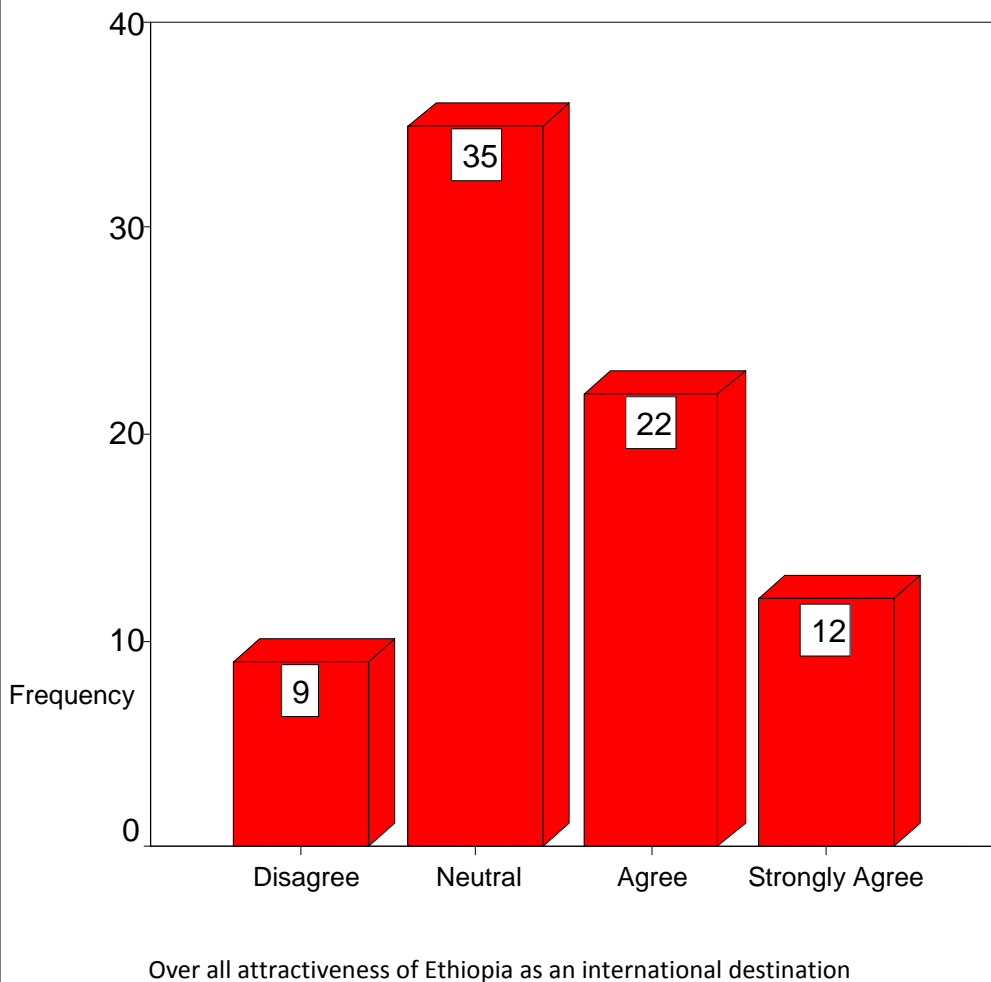
** Correlation is significant at the 0.01 level (2-tailed).

There is a perfect positive correlation among Promotion Budget, Tourist Traffic and Revenue Generated. Thus, the hypothesis is rejected. However, promotion budget figure was confined to exhibition work only; for there is no consolidated data at a national level.

OVERALL AGREEMENTS ON ETHIOPIA AS ONE OF THE MOST ATTRACTIVE INTERNATIONAL DESTINATION

The overall attraction of Ethiopia as one of the most attractive international tourism destination; provided that the above critical strategic factors are given priority by the government and other stakeholders, given by the respondents, is consolidated here in under.

Graph 4: Over all attractiveness of Ethiopia as an international destination



The above critical strategic success factors identified will make Ethiopia as one of the most attractive international tourist destination. 45 % of the respondents took a neutral stand, 28% agreed, while 15% strongly agreed and 12 % disagreed that these factors will make Ethiopia as one of the most attractive international destination.

NATIONAL TOURISM PROMOTION STRATEGIES USED BY THE ETHIOPIAN GOVERNMENT

The promotion strategies currently used by the Ethiopian government to promote the country are summarized as follows:

1. Tourist brochures and folders are principal tools available to government tourist office at federal and regional and destination levels(locals);
2. Press releases;
3. Display materials which includes posters, cardboard stands, articles of handicrafts;
4. Exhibitions- participating in world tourism travel markets undertaken at international levels;
5. Web sites;
6. Use of Ethiopian missions abroad to promote the country as an integral part of economic diplomacy;

7. Use of Ethiopian airline, one of the best airlines in Africa, to promote the country using magazines, flyers etc.

CONCLUSIONS

The critical strategic success factor to make Ethiopia as one of the most attractive tourist destination in the world was examined. Ideas on critical strategic success factors to make Ethiopia as one of the most attractive destinations were solicited from tourism organizations both private and public. This study examined critical success factors that make the country as one of the most competitive tourist destination from three broad perspectives which consisted of sustainable growth of tourism, destination management processes and future growth and sustainable development. The strategic critical success factors were analyzed using Varimax Kaiser Normalization. /Factor Analysis.

The sustainable growth of tourism in Ethiopia consists of economic and socio-environmental sub-factors. The questionnaires were developed to measure the economic performance of Ethiopia as an international tourism destination and the level of contribution of international tourism in meeting Ethiopia's social and environmental objectives on a 5-point rating scale, where, 1= not at all significant and 5 = absolutely significant. The result of the study showed two major components. The economic dimensions (component 1) explained 51.428 % of the variance while the socio-environmental dimensions (component 2) explained only 29.392 % of the variation with a cumulative effect 80.821%.

The destination management processes consisted of destination organization and co-ordination, destination marketing, human resource management, strategic destination management and lastly responsible management. The data collected was analyzed by using factor analysis (Varimax with Kaiser Normalization). The questionnaires were developed to measure the above destination managements processes on a 5-point rating scale, where, 1= not important and 5= extremely important. The result showed six components. Where component 1 resulted in 44.425% of the variation, component 6 showed in 4.585% of the variation within a cumulative variation of 90.582%.

The items within component 1 consisted of providing strategic directions, formulated and implementing integrated destination strategies, ensuring appropriate funding to sustain destination marketing organization, determining relevant, viable and sustainable target markets, putting mechanisms to preserve cultural integrity and authenticity, packaging theming and routing current tourism attractions and experience and developing those with potential, ensuring appropriate destination marketing organizational all levels, ensuring integrated promotion strategies advertising, exhibitions, internet and workshop.

The future growth and sustainable development consisted of product and market development, infrastructure development and management, people development, systems development and usage. Factor analysis with Varimax Kaiser Normalization was used to analyze the data. The questionnaires were developed to measure the above critical success factors related to future growth and sustainable development on a 5-point rating scale, where, 1= not important and 5= extremely important. The result showed six components. The future growth and sustainable development resulted in three major components. Component 1 is found to be the most important explaining 30.270 % of the variance while component 3 explains only 12.265 % of the variance with a cumulative variation of 81.896. Further analysis of the table discloses Component 1 as highly loaded on exploiting new market opportunities and focusing on new market segments and so followed by development of new airline alliances, while Component 2 is highly loaded on provision of appropriate public transport systems, roads, airports, rail ports. The above critical strategic success factors identified will make Ethiopia as one of the most attractive international tourist destination. 45 % of the respondents took a neutral stand, 28% agreed while 15% strongly agreed and 12 % disagreed that these factors will make Ethiopia as one of the most attractive international destination. The result of the study demonstrated that there is a lot to be done to make the country as one of the most attractive destination for tourists for the major percentage of respondents were taking a neutral stand.

The relationship between promotion budget and tourism traffic and revenue generated from tourism was examined using correlation analysis (Pearson correlation). The result showed a perfect correlation among the three variables (promotion budget, tourist traffic and revenue generated). The main promotional strategies used by the Ethiopian Government to promote tourism in Ethiopia included the following. Tourist brochures and folders are principal tools available in every government tourist office at federal and regional levels as well as at destination levels (locals); press releases; display materials which includes posters, cardboard stands, articles of handicrafts; exhibitions- participating in world tourism travel markets undertaken at international levels; Ethiopian Tourism commission web sites; use of Ethiopian missions abroad to promote the country as an integral part of economic diplomacy and use of Ethiopian airline, one of the best airline in Africa, to promote the country using magazines, flyers, etc.

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BARRIERS TO KNOWLEDGE MANAGEMENT IMPLEMENTATION IN UNIVERSITIES

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ABSTRACT

Today knowledge is counted as the most important assets of organizations. Therefore knowledge management is the challenge of discovering individual knowing and turning it as a piece of information so that it can be saved on a data base, to share it with others and to apply it to daily works. This study aims to investigate and identify these barriers and to come up with some solutions applicable in Universities of Iran. This study is field type and a descriptive- survey research. A questionnaire was randomly distributed among universities managers. Population sample of the research is universities in 2011. The findings indicated that the development and implementation of knowledge Management Universities of Iran face with human, structural, cultural, technical and technological barriers. To overcome the barriers the required solutions for the implementation of knowledge management should be adopted and employed by the executive's managers.

KEYWORDS

Barriers to Knowledge Management, Cultural Barriers, Knowledge Management, Technical Barriers, Technological Barriers.

INTRODUCTION

One of the issues communities and organizations have had to face with is the advent of new phenomena and changes. Their occurrences exert remarkable impact on the performance of the communities and organizations. More importantly, appropriate response and paying attention to them or not play a major role in their success or failure (Jasimuddin, 2008). Changes is a constant and vital variable in all human attempts and experiences (Omekwu and Eteng, 2006). Successful organizations are those that are always a step ahead of these changes. Nowadays those organizations which have intangible capitals on their agenda and knowledge on its top will succeed. Such organizations need a new style of management which is referred to as "knowledge management". It is not a new concept in the history of human growth (Lundvall and Nielsen, 2007). The most important goal of it application in different institutes is to adapt quickly to the changes of the environment in order to improve efficiency and profitability (Plessis, 2007). Therefore knowledge management refers to the process of creation, dissipation and application of knowledge; in other words, the ultimate objective of knowledge management is to share knowledge among staff to improve its added value in an organization (Brachos et al., 2007). It is a structured approach to identification, evaluation, arrangement and saving and help apply knowledge to meet needs and achieve organizational goals (Davenport and Marchand, 1999). Changes are so quick that in near future we will observe organizations basically different from our expectations of a typical one.

Growth of modern technologies particularly IT, business investment in IT sector, internet growth and its widespread use, change in citizens' expectations and businesses, globalization and pressures from competition has made knowledge and its management a basic requirement for the success of present-day organizations and communities. Reliance upon tangible assets like physical capitals no longer yield result and nowadays the organizations that have intangible capitals on their agenda and knowledge on its top will succeed (Maqsood and Finegan, 2009).

Today knowledge is counted as the most important assets of organizations. Therefore knowledge management is the challenge of discovering individual knowing and turning it as a piece of information so that it can be saved on a data base, to share it with others and to apply it to daily works. It is to achieve organizational goals through optimum use of knowledge and or capabilities of an organization to apply individual knowledge and experience and collective knowledge to actualize goals through processes like knowledge production, knowledge share and its use by technology. It is the secret of success in organizations 21st century (Berkes, 2009). To succeed each organization tries to use the set of the knowledge before every individual staff and has been stored in their mind; otherwise, it should be expected to see failure in organizations or to pay high costs stemming from repetition of some decision-making processes and inappropriate use of practical experiences and decisions.

To take advantages of knowledge management it is necessary to study its barriers and challenges and to come up with solutions to remove them. Iran universities as an organization that is attempting to adapt itself to the changing environment should move toward knowledge management. To do this, it has some challenges and barriers. The present study seeks to investigate and identify these barriers and to come up with some solutions applicable to leadership at universities of Iran. If not identified, Iran universities will not succeed in its application. As a result it will have problems to take advantage of knowledge and its management.

**REVIEW OF LITERATURE
KNOWLEDGE MANAGEMENT**

The importance of knowledge in today global and complicated commercial environment cannot be ignored. The organization that know how to collect, distribute and manage information are the leaders of their own business. Today we are heading for an era in which competitive advantage is not only information access but also knowledge development (Davenport and Klahr, 2009). Knowledge is more than data and information. It refers to a set of information, practical solutions, related education, results of its application to different decision-making, individual's attitudes in careers and their responsibilities (Krogstie et al., 2006). A person's knowledge may differ from other person's. Knowledge is the foundation of skill, experience and expertise. It is a new thinking method about organization and share of creative and innovative recourses (Chen et al., 2009). It refers to systematic efforts to find, organize and make accessible intangible assets of an organization and to improve culture of continuous learning and share knowledge. Many organizations are seeking to have its advantages by focusing and investing on information technology and attempting to improve their performance through knowledge management implementation (Jasimuddin, 2008). Attention to knowledge management in organizations has been rapidly growing due to its role in dynamic and competitive environment. It is systematic and its successful implementation requires a comprehensive and full scale attitude towards organizational factors. Different factors play a role in its implementation. They are strategy, organizational culture, IT infrastructure, team work and the like. In all the role of leadership is remarkable (McBriar et al., 2003). Unlike past organizations, modern ones need to capture, manage and exploit knowledge and information to improve efficiency, render

better service to customer and manage and track endless changes more effectively. It is a tool by which organizations can manage knowledge and information better (Yannis et al., 2008). Unlike other techniques its definition is not an easy task since it covers a wide range of concepts, managerial roles, technologies and activities. On the other hand rapid changes in the PC technology and electronic communication over the past decade have enabled us to create, collect, manipulate, save and transfer information (Skyrme, 2003). It is an interdisciplinary commercial model which deals with all aspects of knowledge including creation, coding, sharing, application to learning improvement and innovation (Switzer, 2008). It concerns with both technological tools and current organizational trends.

ADVANTAGES OF KNOWLEDGE MANAGEMENT

Implementation of knowledge Management has many positive Advantages such as detection of shortages, more efficiency of human capitals, more effective learning, provision of value added services and goods, more customer satisfactions, prevention of mistakes repetition, reduction of redoing, time saving, encouragement of innovation and creation, establishment of closer contact with customers.

PROCESS OF KNOWLEDGE MANAGEMENT

Put it simply, knowledge Management is development of structure to turn implicit knowledge to transferable explicit knowledge. Such a structure helps to increase a person's knowledge by sharing knowledge among staff of an organization and its subunits and to develop new knowledge by their integration (Vandaie, 2008); in other words, it is the ability of an entity to use the intellectual capital (Personal knowledge and experience of the staff and collective knowledge to achieve organizational goals. Its processes can be divided into seven stages:

1. Acquisition: All organization use collaboration to gain knowledge and document department plays a central role in this process
2. Knowledge Implementation: obtained is used if helpful and appropriate and it is not important who has introduced it.
3. Industries learning (from Knowledge process): The organization that help learning happens in their processes would have better performance in knowledge Management. Members of an organization can learn lesson from past experiences.
4. Knowledge sharing and exchange: Knowledge transfer and exchange among members of an organization are of great importance.
5. Knowledge Evaluation: Organizations assess their knowledge assets through learning and evaluation of annual performance.
6. Knowledge creation and stabilization: Capability of an organization to create and stabilize knowledge. Collaboration and participation of staff in this process are good means to stabilize knowledge.
7. Optimum use of Knowledge: Prior to hiring new personnel it should be attempted to employ the current knowledge and skills of organization and when the required skills and expertise cannot be found in the organization it would be appropriate to provide it from external sources, by so doing knowledge will be used optimally.

BARRIERS TO KNOWLEDGE MANAGEMENT

The challenge that there is here is that knowledge management is systematic. Its successful implementation requires a comprehensive and full scale attitude towards various organizational factors. Many organizations that are seeking to implement knowledge management have invested on information and communication technology (Balestrin et al., 2008). It should be noted that information technology is just one part of knowledge management. Its successful implementation requires various organizational factors including organizational structure, technology and human resources have specified features and the required coordination (Wen, 2009). Gaps and lack of coordination are barriers to successful implementation of knowledge management. Therefore identification of the status of organizational factors in terms of the required characteristics to implement knowledge management is of the initial measures which can form a strong foundation for the next steps. Creation and transfer of knowledge require a specific structure in an organization. Internal structure of an organization can both encourage knowledge management and obstruct its implementation. Previous studies on the issue indicate that decision concentration, high bureaucracy in processes and work relations can function as barriers to knowledge creation and new thoughts. On the other hand power distribution and flexibility lead to knowledge creation and facilitate knowledge transfer (Claver-Cortes et al., 2007). Knowledge creation and transfer necessitate an organizational culture in which people and groups are willing to collaborate and share information to satisfy mutual interests. Individualistic culture in an organization make people reluctant to share knowledge while trust, collaboration and knowledge sharing culture among staff help to increase knowledge creation and information exchange. Emphasis on learning in an organizational culture empowers an organization to create new knowledge. Organizations can help staff to take more active role in knowledge creation by stressing upon learning (Richter and Niewiem, 2009). To succeed in knowledge management organizations should develop learning culture and provide opportunity for constant learning. Informational and communicational technology due to high capabilities plays a very significant role in knowledge creation and transfer in an organization. Appropriate infrastructure of information and communication technology and staff's knowing and awareness of these technologies facilitate knowledge creation and transfer. To develop knowledge management organizations have many barriers and challenges (Damandoran and Olphert, 2000). To succeed in knowledge management and to achieve predetermined goals leaders play a remarkable role. Moreover, it is a mechanism for leadership to achieve goals. The followings represent this reciprocal relationship and the role and the relationship between knowledge management and leadership. Generally speaking the barriers to knowledge management are (Kimble and Bourdon, 2008):

- Organizational culture (lack of trust, communication and knowledge sharing).
- Lack of awareness, understanding and insight of knowledge management.
- Motivation.
- Size of organization.
- Geographical spread.
- Structure of organization.
- Structure of Human resources.
- Culture and values.

The main challenge of knowledge management is not knowledge creation but knowledge possession and dissipation and in fact knowledge that is not dissipated is of little value. Traditional method of knowledge dissipation was face to face dialogue but today it is virtual. Traditional methods are very slow and ineffective (Shaw and Edwards, 2005). Therefore it is necessary to employ technology to flow knowledge. Another challenge is to codify staff experiences and beliefs in an applicable way that (Gao et al., 2008). The followings are some barriers to knowledge management implementation in organizations

1. Human factors: One of the main barriers to knowledge management is that people do not like to share knowledge and prefer to use it exclusively. It might be due to this false reasoning: since knowledge is power it should not be lost (Fielden & Malcolm, 2006).
2. Organizational factors: The main factors of this group are:
 - Structural factors: Hierarchical and inflexible structures cannot be a good place to implement knowledge management
 - Managerial factors: Chief executives' lack of belief in and support to knowledge management, their short term attitudes, atomistic view and inappropriate management styles can prevent its successful implementation.
 - Occupational factors: Inappropriate descriptions of occupations, repetitious and routine occupations, ambiguity and conflict in role can effect negatively on knowledge management.
 - Salary and wages systems: People will dissipate knowledge if they have enough financial motivation and return.
 - Educational systems: In turning traditional systems into a learning organization, educational programs play a critical role. Inappropriate educational programs can function as a barrier to knowledge management (Tseng, 2008).
3. Cultural factors: Without appropriate collaborative and trust-based Culture knowledge management cannot be implemented successfully. If an organizational culture does not strengthen knowledge sharing and distribution, knowledge management will face with unpleasant challenges in that organization (Nevo and Chan, 2007).
4. Political factors: Political stability or instability of a country and managerial stability in an organization influence upon knowledge management. Open atmosphere in which people can express their thoughts freely can have a positive impact on it (Szulanski, 2003).

5. Technical and technological factors: Experts divide knowledge into tacit and explicit knowledge. As highlighted by Nonaka, organizational knowledge is the outcomes of the interaction between these two types of knowledge and the interaction should be continuous. The created knowledge should be kept well. Knowledge centers in an organization are in fact a place to collect, organize and disseminate it. They can be either physical or virtual. Their purpose is to direct people toward knowledge resources in and outside of organization. In them knowledge maps are prepared, kept and updated (Nonaka et al., 2000).

RESEARCH METHODOLOGY

Research orientation is applied and its purpose is to determine barriers to knowledge management in universities. It is quantitative, field and library review type. It is based on research on internet, article, book, journal, theses and other valid

Scientifics resources review. Its statistical population is executives of universities in 2011. Sample has been selected by classified sampling method. To collect data research on internet, article, book, journal, theses and other valid Scientifics resources have been reviewed. A questionnaire was designed and administered and data analysis has been performed by SPSS software and parametric statistical tests.

RESEARCH OBJECTIVES AND HYPOTHESES

Generally speaking, the purpose of the present study is to investigate and determine current barriers to knowledge management in universities of Iran and to suggest solutions for them. In brief the objectives are:

1. The study of human, structural, cultural and technical technological barriers to knowledge management implementation in universities of Iran.
2. Determination and explanation of the role of these barriers in success or failure of knowledge management projects in universities of Iran.
3. Suggestion of solutions to overcome them.

There are four main and eleven secondary hypotheses:

1. Human barriers influence on knowledge management in universities of Iran.
 - 1.1. Managerial barriers have an effect on knowledge management in universities of Iran.
 - 1.2. Occupational barriers (descriptions of inappropriate occupations, repetitious and routine occupations, ambiguity and conflict in role, salary and wages systems) can effect negatively on knowledge management.
2. Barriers related to staff influence on knowledge management in universities of Iran.
 - 2.1. Structural Barriers exert an influence on knowledge management in universities of Iran.
 - 2.2. Hierarchical structure exerts an influence on knowledge management in universities of Iran.
 - 2.3. Current organizational processes affect upon knowledge management in universities of Iran.
3. Size of an organization affects upon knowledge management in universities of Iran.
 - 3.1. Cultural Barriers exert an influence on knowledge management in universities of Iran.
 - 3.2. Collaborative Culture affects upon knowledge management in universities of Iran
 - 3.3. Chief Executives' support affects upon knowledge management in universities of Iran.
 - 3.4. Creation and innovation –based organizational Culture affects upon knowledge management in universities of Iran.
4. Technical and technological Barriers exert an influence on knowledge management in universities of Iran.
 - 4.1 There are appropriate knowledge software banks for knowledge management in universities of Iran.
 - 4.2 There are appropriate educational systems and programs for knowledge management in universities of Iran.

RELIABILITY AND VALIDITY

To measure the reliability of the questionnaire first the intended criteria extracted through exact evaluation of the literature on the issue and included in it. Then six experts reviewed and confirmed the questionnaire.

Cronbach's coefficient alpha was employed to measure data reliability. In general it is a valid measure and its value is more than 0.7 and its total value were obtained to be 0.857.

RESULTS

DATA ANALYSIS

To analyze data the SPSS 13 for windows was used. Statistical analysis techniques in the form of normal distribution test and regression test were employed to test hypotheses. The Results are as follows:

NORMAL DISTRIBUTION TEST

268 executive's managers of universities participated in the survey. According to statistical theories if number of the samples is more than 30 samples then the distribution will be normal. Therefore its data distribution is normal. Statistical analysis of data has been performed at 0.05 level of significance by regression test. With regard to the confirmation of validity of the model based on analysis results (Column F) which is higher than 0.05 the results are not accidental and are reliable. At 0.05 % level of significance with regard to Sig. column in SPSS if the value is less than 5% ($p < 0.05$ %) then the hypothesis is confirmed; otherwise rejected. About the confirmed hypotheses Analysis of the results are carried out with regard to correlation coefficient (R) which shows the relationship between dependent and independent variable and square correlation coefficient (R^2) which indicates to what extent changes of dependent variable can be explained by independent variable. The more R would be, the stronger the correlation between dependent and independent variable.

H₁: Human barriers influence on knowledge management in universities of Iran. At 0.05 % level of significance with regard to Sig. column the value is ($p < 0.05$ %). Therefore the hypothesis is confirmed and human barriers influence on knowledge management in universities of Iran. Correlation coefficient of the hypothesis variables i.e. human barriers and knowledge management in universities of Iran is high (0.762) and 0.581 % of knowledge management in universities is accounted for by human barriers. Therefore at 0.05 % level of significance the hypothesis is confirmed (table 1).

H₁₋₁: Managerial barriers have an effect on knowledge management in universities of Iran. At 0.05 % level of significance according to Sig. column the value is ($p < 0.05$ %). Therefore the hypothesis is confirmed and managerial barriers influence on knowledge management in universities of Iran. Correlation coefficient of the hypothesis variables i.e. managerial barriers and knowledge management in universities of Iran is high (0.809) and 0.655 % of knowledge management in universities is accounted for by managerial barriers. Therefore at 0.05 % level of significance the hypothesis is confirmed (table 1).

H₁₋₂: Occupational barriers (descriptions of inappropriate occupations, repetitious and routine occupations, ambiguity and conflict in role, salary and wages systems) can effect negatively on knowledge management. At 0.05 % level of significance according to Sig. column the value is ($p < 0.05$ %). Therefore the hypothesis is confirmed and Occupational barriers influence on knowledge management in universities of Iran. Correlation coefficient of the hypothesis variables i.e. Occupational barriers and knowledge management in universities of Iran is high (0.625) and 0.391 % of knowledge management in universities (R^2) is accounted for by Occupational barriers. Therefore at 0.05 % level of significance the hypothesis is confirmed (table 1).

H₁₋₃: Barriers related to staff influence on knowledge management in universities of Iran. At 0.05 % level of significance according to Sig. column the value is ($p < 0.05$ %). Therefore the hypothesis is confirmed and Barriers related to staff influence on knowledge management in universities of Iran. Correlation coefficient of the hypothesis variables i.e. Barriers related to staff and knowledge management in universities of Iran is high (0.764) and 0.391 % of knowledge management in universities (R^2) is accounted for by Barriers related to staff. Therefore at 0.05 % level of significance the hypothesis is confirmed (table 1).

TABLE 1: CORRELATION COEFFICIENT

variables	level of significance(sig)	Correlation coefficient(R)	square correlation coefficient (R ²)	Hypothesis
human barriers	./000	./762	./581	confirmed
Managerial barriers	./000	./809	./655	confirmed
Occupational barriers	./000	./625	./391	confirmed
Staff barriers	./000	./764	./583	confirmed

H₂: Structural Barriers exert an influence on knowledge management in universities of Iran.

At 0.05 % level of significance according to Sig. column the value is (p<0.05 %). Therefore the hypothesis is confirmed and Structural barriers influence on knowledge management in universities of Iran. Correlation coefficient of the hypothesis variables i.e. structural barriers and knowledge management in universities of Iran is high (0.748) and 0.559 % of knowledge management in universities (R²) is accounted for by structural barriers. Therefore at 0.05 % level of significance the hypothesis is confirmed (table 2).

H₂₋₁: Hierarchical structure exerts an influence on knowledge management in universities of Iran. At 0.05 % level of significance according to Sig. column the value is (p<0.05 %). Therefore the hypothesis is confirmed and hierarchical structure influence on knowledge management in universities of Iran. Correlation coefficient of the hypothesis variables i.e. hierarchical structure and knowledge management in universities of Iran is high (0.862) and 0.743 % of knowledge management in universities (R²) is accounted for by hierarchical structure. Therefore at 0.05 % level of significance the hypothesis is confirmed (table 2).

H₂₋₂: Current organizational processes affect upon knowledge management in universities of Iran. At 0.05 % level of significance according to Sig. column the value is (p<0.05 %). Therefore the hypothesis is confirmed and Current organizational processes influence on knowledge management in universities of Iran. Correlation coefficient of the hypothesis variables i.e. current organizational processes and knowledge management in universities of Iran is high (0.703) and 0.494 % of knowledge management in universities (R²) is accounted for by current organizational processes. Therefore at 0.05 % level of significance the hypothesis is confirmed (table 2).

H₂₋₃: Size of an organization affects upon knowledge management in universities of Iran. At 0.05 % level of significance according to Sig. column the value is (p>0.05), (0.190). Therefore there is no significant correlation between size of an organization and knowledge management in universities of Iran. Correlation coefficient of the hypothesis variables i.e. size of an organization and knowledge management in universities of Iran is low (0.183) and 0.034 % of knowledge management in universities (R²) is accounted for by size of an organization. Therefore at 0.05 % level of significance the hypothesis is rejected (table 2).

TABLE 2: CORRELATION COEFFICIENT

variables	level of significance(sig)	Correlation coefficient(R)	square correlation coefficient (R ²)	Hypothesis
Structural Barriers	./000	./748	./559	confirmed
Hierarchical structure	./000	./862	./743	confirmed
Current organizational processes	./000	./703	./494	confirmed
Size of organization	./190	./183	./034	Rejected

H₃: Cultural barriers exert an influence on knowledge management in universities of Iran. At 0.05 % level of significance according to Sig. column the value is (p<0.05 %). Therefore the hypothesis is confirmed and cultural barriers influence on knowledge management in universities of Iran. Correlation coefficient of the hypothesis variables i.e. cultural barriers and knowledge management in universities of Iran is high (0.752) and 0.565 % of knowledge management in universities (R²) is accounted for by cultural barriers. Therefore at 0.05 % level of significance the hypothesis is confirmed (table 3).

H₃₋₁: Collaborative culture affects upon knowledge management in universities of Iran. At 0.05 % level of significance according to Sig. column the value is (p<0.05 %). Therefore the hypothesis is confirmed and Collaborative culture influences on knowledge management in universities of Iran. Correlation coefficient of the hypothesis variables i.e. collaborative culture and knowledge management in universities of Iran is high (0.748) and 0.559 % of knowledge management in universities (R²) is accounted for by collaborative culture. Therefore at 0.05 % level of significance the hypothesis is confirmed (table 3).

H₃₋₂: Chief Executives' support affects upon knowledge management in universities of Iran. At 0.05 % level of significance according to Sig. column the value is (p<0.05 %). Therefore the hypothesis is confirmed and chief executives' support influences on knowledge management in universities of Iran. Correlation coefficient of the hypothesis variables i.e. chief executives' support and knowledge management in universities of Iran is high (0.759) and 0.576 % of knowledge management in universities (R²) is accounted for by chief executives' support. Therefore at 0.05 % level of significance the hypothesis is confirmed (table 3).

H₃₋₃: Creation and innovation –based organizational Culture affects upon knowledge management in universities of Iran. At 0.05 % level of significance according to Sig. column the value is (p<0.05 %). Therefore the hypothesis is confirmed and creation and innovation –based organizational Culture influences on knowledge management in universities of Iran. Correlation coefficient of the hypothesis variables i.e. creation and innovation –based organizational Culture and knowledge management in universities of Iran is high (0.752) and 0.565 % of knowledge management in universities (R²) is accounted for by creation and innovation –based organizational Culture. Therefore at 0.05 % level of significance the hypothesis is confirmed (table 3).

TABLE 3: CORRELATION COEFFICIENT

variables	level of significance(sig)	Correlation coefficient(R)	square correlation coefficient (R ²)	Hypothesis
Cultural barriers	./000	./752	./565	confirmed
Collaborative culture	./000	./748	./559	confirmed
Chief Executives' support	./000	./759	./576	confirmed
Creation and innovation –based organizational Culture	./000	./752	./565	confirmed

H₄: Technical and technological Barriers exert an influence on knowledge management in universities of Iran. At 0.05 % level of significance according to Sig. column the value is (p<0.05 %). Therefore the hypothesis is confirmed and technical and technological barriers influences on knowledge management in universities of Iran. Correlation coefficient of the hypothesis variables i.e. technical and technological barriers and knowledge management in universities of Iran is high (0.625) and 0.391% of knowledge management in universities (R²) is accounted for by technical and technological barriers. Therefore at 0.05 % level of significance the hypothesis is confirmed (table 4).

H₄₋₁: There are appropriate knowledge software banks for knowledge management in universities of Iran. At 0.05 % level of significance according to Sig. column the value is (p>0.05 %). Therefore the hypothesis is rejected and there are not appropriate knowledge software banks for knowledge management in universities of Iran. Correlation coefficient of the hypothesis variables i.e. appropriate knowledge software banks and knowledge management in universities of Iran is low (0.022) and only 0.005% of knowledge management in universities (R²) is accounted for by appropriate knowledge software banks. Therefore at 0.05 % level of significance the hypothesis is rejected (table 4).

H₄₋₂: There are appropriate educational systems and programs for knowledge management in universities of Iran. At 0.05 % level of significance according to Sig. column the value is (p>0.05 %). Therefore the hypothesis is rejected and there are not appropriate educational systems and programs for knowledge management in universities of Iran. Correlation coefficient of the hypothesis variables i.e. appropriate educational systems and programs and knowledge management in universities of Iran is low (0.036) and only 0.015% of knowledge management in universities (R²) is accounted for by appropriate educational systems and programs. Therefore at 0.05 % level of significance the hypothesis is rejected (table 4).

TABLE 4: CORRELATION COEFFICIENT

Variables	level of significance(sig.)	Correlation coefficient(R)	square Correlation coefficient (R ²)	Hypothesis
Technical and technological Barriers	./000	./625	./391	confirmation
appropriate knowledge software banks	./160	./22	./005	rejected
appropriate educational systems and programs	./285	./036	./015	rejected

DISCUSSION AND CONCLUSION

Iran universities are seeking to make changes to achieve its goals. To do so it is inevitable to focus upon knowledge management. On the other hand universities are of great importance in every organization in general and Iran universities are of no exception. On the other hand little progress has been happened in Iran universities over recent years. The present study attempts to investigate its reasons. The results show that knowledge management in universities of Iran face with human, structural, Technical and technological and cultural Barriers. To develop knowledge management in this organization more attention should be focused upon it. Executives' role in knowledge management development is vital. Their support can provide the ground for its implantation. Development of Collaborative culture, team work and the required cultural background are needed. In other areas the need for construction of the required instructors in terms human, technical and technological dimension are highly felt. As mentioned before this is the first academic study on the issue in universities of Iran .The selection of the topic is for the want for its application in universities of Iran. Therefore for its implementation other studies are needed to be conducted on the issue to improve its efficiency.

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AN ASSESSMENT OF BANGLADESHI COMMERCIAL BANKS TREND TOWARDS UNIVERSAL BANKING

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ABSTRACT

With the start of deregulation in early 1990s in various parts of the world along with other types of changes in the banking rules and regulations (i.e. relaxing of Glass-Steagall Act 1933 in USA, Financial System Reform Act 1993 in Japan etc.) during the same period, most banks in Europe, USA and Japan as well as in developing world have tried to pursue the policy of universal banking system. Even though there has been growing number of academic literatures highlighting its pitfalls (i.e. universal banking trend reduces the specialization, increases risk exposure, increases cost structure etc.) still this trend continues to grow till to date to accommodate every single customer vis-à-vis every single business opportunities. The financial sector reform program in Bangladesh back in 1990s has also provided the same platform to its banking industry. However, even after more than two decades no academic maneuver has been undertaken to study the extent to which universal banking trend flourished in Bangladesh. Therefore, this paper aims as exploring the nature of commercial banking activities in their trend towards universal banking practices. The result highlights that, there are significant number of banks offering a substantial number of products/services, which is by far very encouraging from what has been the state of banking industry back in early 1990s; yet there has not been enough progress made as a whole to conclude the current state of Bangladeshi banking industry is very close to universal banking practices.

KEYWORDS

Bangladesh Bank, Commercial banks, Financial sector reform program (FSRP), Universal banking.

INTRODUCTION

 ver the past three decades and especially for the last two decades, the financial sector across the world has witness multiple of changes pertaining to regulation, accommodating the growing need of the customers and some structural changes like merger and acquisition (M&A) due to various reasons including European integration, opening up populous market like India and China. In the European Union, the introduction of the single currency is speeding up this process where banking industry had experienced a huge shakeup including mergers, acquisitions and bankruptcies. Deregulation (Anthony Saunders, 1999; Gande, A., Puri, M., Saunders, A., 1998), financial innovation, disintermediation and new technologies are playing a major role in making some financial services obsolete and eroding the competitive position of major players. Moreover, the latest chapter of global financial meltdown has virtually wined up the major part of global financial system including the banking industry. Banks' initial reaction to these new challenges has been very proactive especially during the 1990s. Jordi Canals (1998) argued that some banks, especially in Europe, have become universal banks, that is, providers of a large variety of financial services, from checking accounts to derivatives, from corporate loans to financial advice on mergers and acquisitions, from bond trading to active shareholding in industrial companies. In French one of the largest banks "Cre'dit Lyonnais" was the paradigm of this approach. It undertook the most ambitious bank growth experiment in Europe during the 1980s and early 1990s, and embraced different business units under the same organizational umbrella. Moreover consolidation, merger and other form of restructuring has been witness tremendous growth in helping the surviving banks to render services only possible by universal banks. Data provided by the Securities Data Corporation for the period 1985 -1996, covering all (global) M&A deals in the financial services sector, suggest that some 12,000 M&A deals were concluded over this period. While nearly 4000 of these deals were commercial banks acquiring other commercial banks, 1450 involved either commercial banks acquiring securities firms (829) or securities firms acquiring banks (621). This has indeed created enormous growth of universal bank, Anthony Saunders (1999).

Moreover in case of USA, in the 1990s the relaxation of 1933 Glass-Steagall Act permitted US commercial banks to underwrite corporate securities. Echoing the deregulation process in the US, Japanese authorities also took similar steps to remove restrictions that separated commercial and investment banking. The Financial System Reform Act (FSRA) of 1993 allowed Japanese commercial banks to provide investment banking services. These and other issues during this period are definite move toward universal banking, Jun-Koo Kang and Jun-Koo Kang, Wei-Lin Liu (2006) and Beng-Soon Chong Ming-Hua Liu, Yener Altunbas (1996). Moreover, the non-existence of well developed capital market in most part of the world has also triggered the growth of universal banking system, especially in developing economies, Jun-Koo Kang, et. al. (2006). However, with the start of the process towards universal banking system, there have been questions related to their efficiency, need, justification of their existence in regard to risk and return (Beng-Soon Chong et. al., 1996), issues of conflict of interest (Sharpe, 1990; Rajan, 1992) etc.

UNIVERSAL BANKING

In general, Universal Bank is a name given to banks engaged in diverse kind of banking business including traditional savings and loans to investments banking services, offering wide range of financial services, and beyond commercial banking and investment banking i.e. insurance etc. If specialized banking is the one direction universal banking is simply the opposite direction in the financial market. This is most common in European countries and this concept is widely popular in countries like USA but is about to take-off officially in Bangladesh, as the definition of Universal Banking is yet to be established clearly and conclusively. A proper view could include a basket of all the financial activities including insurance.

C. Krishna (2005) argued that, universal banking, means the financial entities – the commercial banks, Financial Institutions, NBFCS, - undertake multiple financial activities under one roof, thereby creating a financial supermarket. As per reserve bank of India⁶, the term universal banking refers to a combination of commercial banking services and investment banking services i.e. issuing underwriting, investing and trading in securities. In a broad sense, however, the term universal banking refers to those banks that offer a wide variety of financial services. Saunders, Anthony. A, & Ingo Walter (1994) argued that the entities focus on leveraging their large branch network and offer wide range of services under single brand name. Universal banking firm conducts ranges of financial services comprising deposit taking and lending, trading of financial instruments and foreign exchange (and their derivatives) underwriting of new debt and equity issues, brokerage investment management and insurance.

Ingo Water (1997) has proposed four different types of universal banking model. Moreover, Nair (1999) has also proposed another tree different types of universal banking with slight variation.

⁶ Source: RBI discussion paper on universal-banking; retrieved at <http://www.rbidocs.rbi.org.in/sec5/7448.pdf>

FIGURE 01: UNIVERSAL BANKING MODELS

Ingo Walter (1997)		Dr. Nair (1999)	
Type A Full Integration Model	Banking activities Securities activities Insurance activities Other activities	In-house Universal Banking (Germany, Switzerland)	Banking activities Securities activities Insurance activities
Type B Partial Integration Model	Banking & Securities activities Subsidiaries: • Insurance subsidiaries • Mortgage subsidiaries • Other subsidiaries		Underwriting Mutual fund Advisory and other activities
Type C Bank Parent Structure	Banking activities Subsidiaries: • Securities subsidiaries • Insurance subsidiaries • Other financial subsidiaries	Through Separately Capitalized Subsidiaries (England, Japan)	Banking services Subsidiaries: • Insurance subsidiaries • Mortgage subsidiaries • Other financial subsidiaries
Type D Holding Company Structure	Banking subsidiaries Securities subsidiaries Insurance subsidiaries	Operation Holding Companies (USA, Japan)	Banking subsidiaries Securities subsidiaries

1. A fully-integrated universal bank (Type-A) provides a broad range of financial services (banking, securities and insurance) under a single corporate structure supported by a single capital base. There are, at present, no good examples of this particular model.
2. A partially integrated universal bank (Type-B) conducts both commercial and investment banking within the same entity, but undertakes insurance underwriting and distribution, as well as mortgage banking, asset management, lease-financing, factoring, management consulting, and other specialized activities through separately-capitalized subsidiaries, either because such activities are separately regulated, or because they involve significant potential for exploitation of conflicts of interest, or a combination of such factors. Deutsche Bank AG would be a good example of this type of universal banking structure.
3. In a Type-C universal bank the commercial bank, whose core business is taking deposits and making commercial loans, is the parent of subsidiaries engaged in a variety of other financial services ranging from investment banking to insurance. An example would be Barclays plc.
4. A final universal banking structure (Type-D) involves creation of a holding company which controls affiliates engaged in commercial banking, investment banking, insurance, and possibly other types of financial and nonfinancial businesses. Examples include JP Morgan and CS Holding.

Finally a universal banking system is that banks are permitted to engage in the full range of intermediation services including brokerage and investment banking, John H. Boyd (1999). Moreover, a universal banking system is one in which banks are permitted to make equity investments in firms rather than, or in addition to, extending them loans. In practice, the best example of such a system is in present-day Germany where banks hold large blocks of equities, vote their shares and serve as directors of corporations. Through the policy of "Auftragsstimmrecht" they can also vote the shares of other parties (Gorton and Schmid, 1996).

UNIVERSAL BANKING: AN INTERNATIONAL CONTEXT

The practice of universal banking is quite phenomenal in Europe, Japan, USA, Australia, China, India and other parts of the world even though there are debates and discussion regarding the effectiveness and efficiency of universal banking as opposed to specialized banking. Initially universal banking took off in the 19th century; however the conditions became more difficult in the 20th century. This is because there have been exogenous political shocks and macro-economic instability during the 20th century. The wider institutional context is important for universal banking, and this includes central bank support. The context has been less favorable in the 20th century. Globalization has also had an impact on the banking industry (Tilly, Richard, 1998).

Indeed in Europe the functional separation of banking activities indeed gradually disappeared since the mid-1970s i.e. Spain in 1974, Belgium in 1975, Netherlands in 1989, France in 1984, and Italy in 1990. Moreover, in Germany and Austria, universal banking had been the grounding principle of banking activities ever since the beginning of the 20th century; Gabe de Bondt, Benoît Mojon and Natacha Valla (2002). Overall, there is a long tradition of universal banking across euro area countries. Moreover, the multiplication of mergers and acquisitions has led to the creation of conglomerates involving banks, insurance and securities companies that have strengthened the universal character of European banks; Cybo-Ottone and Murgia (2000).

In the USA however, until the early 1930s USA banking system incorporated the curial elements of universality. Many commercial banks were engaged in investment banking services. However, the conducted their investment banking activities in a legally separate security affiliates⁷. The banking crisis of 1930s provided a drastic impetus for reform in USA banking legislation including the passage of Glass-Steagall act of 1933. Most of the contemporary findings suggested that the banking crisis was due to reckless and speculative trading by the security affiliates of commercial banks. This has resulted the separation of commercial banks and investment banks which continued up to the recent past. However new research by Eugene White (1986) shows that institutions without securities operation did suffered much loss compared to banking institutions with securities affinities. This finding has prompted a growth of universal banking in USA operating through holding companies, which is different from European in-house universal banking model. Fundamentally, under universal banking, banks can own and control other firms, including commercial and industrial enterprises. Variants of such a system have been, and continue to be, proposed for the US: by the US Treasury (1991), the so-called Shadow Financial Regulatory Committee (American Banker, 1997) and some members of Congress. Indeed, universal banking legislation is under active debate in Washington today.

BANKING IN BANGLADESH: A HISTORY FOCUSED ON REFORM

Banking system plays a very important role in the economic life of the nation in today's economic system. Accordingly under current system, the health of the economy is closely related to the soundness of its banking system. The banking industry of Bangladesh is a mixed one comprising nationalized, private and foreign commercial banks.

The A number of recent studies, however, indicate that the banking sector plays a more important role than it was believed earlier (World Bank, 1996; Almeyda) In Bangladesh Sonali Bank is the largest among the Nationalized Commercial Banks (NCBs) while Pubali is leading in the private ones. Among the 12 foreign banks, Standard Chartered has become the largest in the country. Besides the scheduled banks, Samabai (Cooperative) Bank, Ansar-VDP Bank, Karmasansthan (Employment) Bank and Grameen bank are functioning in the financial sector (Tanbir et. al 2009). In Bangladesh the number of total branches of all scheduled banks is 7,318 as of June 2006. Of the branches, 41.95 per cent are located in the urban areas and 58.05 per cent are in the rural areas. Of the branches NCBs hold 3,616, private commercial banks 1,214, foreign banks 31 and specialized banks 1,177 and others 1280 (WB Report Series- 2007).

⁷ The National Banking Act was interpreted to imply that national banks could not operate their securities act directly (Benston, 1990).

TABLE 01: OVERVIEW OF BANKING SYSTEM IN BANGLADESH

Category	Number of Banks	Number of Branches	% of industry assets	% of industry deposits
NCBs	04	3616	36	40
Private Banks	28	1214	44	45
Foreign Banks	12	0031	7	7
Development Banks	05	1177	10	6
Other	04	1280	3	2
Total	53	7318	100%	100%

Source: Compilation form CPD Round table 22 (April, 2003) and **Bangladesh:** Strategy for sustained growth (World Bank Series - 2010)

Bangladesh, after independence in 1971, inherited an undiversified and undeveloped financial system dominated by commercial banks. The then government nationalized all financial institutions except for a few foreign banks. Bangladesh Bank was established in 1972 and the financial sector was under a regime of rigid government control. Government dictated the interest rates, direction of credit to Public Sector Enterprises and priority sectors with little regard to loan quality. Bank branches were expanded with an objective to increase access of the rural people to the formal banking sector. Bangladesh had a highly repressed financial sector (Chowdhury, 2002). The government till 1982 owned all the financial institutions. Bank branches were opened ignoring the viability and profitability and socio-economic considerations were given more priority in credit analysis and decision. Lending rates were low and did not cover the risk and actual cost factors. Unsophisticated and immature accounting and poor banking standard coupled with poor loan recovery started to afflict the banking sector. The operational efficiency declined and the customer service also deteriorated during this period (Chowdhury & Raihan, 2000).

Initiatives to reform the financial sector in Bangladesh may be traced back to the beginning of the 1980s when the denationalization of the *Uttara Bank* and *Pubali Bank* took place and a number of new private commercial banks (PCBs) were given licenses. The objective on part of the government was to show its desire to encourage the private sector and create competition in the banking sector. The customer service of the banking sector has shown signs of improvement but the credit management was observed to have deteriorated. It transpires from various studies that denationalization and the privatization process failed to create desired impact due to lack of central bank's capacity of strict supervision and rigid economic regulation for the sector (Bhattacharya and Chowdhury, 2003).

The second phase began hand-in-hand with IMF/WB Structural Adjustment Program (SAP) as the government appointed the National Commission for Money, Banking and Credit. In 1986, the commission submitted a long list of recommendations to address problems in the banking sector. Among other findings and recommendations, Bangladesh Bank's supervisory handicap, overall structure of the banking sector and Non-Performing Assets (NPA) were given due importance. Subsequently, recovery targets were set for the banks to improve the NPA situation along with barring defaulters getting fresh loans (Chowdhury & Raihan, 2000).

At the beginning of the 1990s a wide range of reforms in the banking sector were initiated under *Financial Sector Adjustment Credit (FSAC)*, the World Bank (WB) consultative mission. The *Finance Sector Reform Project (FSRP)* was also initiated in 1990 to assist in the implementation of the reform measures, which ended in 1996. In this attempt measures were taken to liberalize interest rate, enhance the capacity of loan classification and provisioning, capital restructuring and risk analysis, strengthening central bank and improving the legal system and framework for loan recovery. It an attempt to increase efficiency of the financial market, the *FSAC* of the *WB* came up with the following: gradual deregulation of interest rate, improvement in the debt recovery climate, strengthening the Capital market, adoption of appropriate monetary policy, making subsidies more transparent. The *FSRP* ended in 1996 but the reform measures continued to be pursued (Chowdhury & Raihan, 2000).

The six-member *Banks Reform Committee* followed *FSRP* in 1996, which presented its report to the government in 1999. The committee gave highest priority in improving the regulatory and supervisory capacities of the central bank, along with strengthening legal framework and effective restructuring of central bank. Issues related to Bangladesh Bank Board, NCB boards and political influence on these were also addressed (Bhattacharya and Chowdhury, 2003). In March 2003, the parliament passed three bills in its attempt to bring massive reforms in the banking as well as the financial sector. The key one was the Bangladesh Bank Amendment bill 2003, which gave the central bank autonomy in terms of its own operations and monetary policy formulation. This issue will be discussed in detail in the following section on autonomy.

Introduction of the *Central Bank Strengthening Project (CBSP)* in 2003 jointly funded by the World Bank and GoB is another important phase in the reform process. The objective is to achieve a strong and effective regulatory and supervisory system for Bangladesh's banking sector.



TABLE 02: SUMMARY OF KEY BANKING REFORMS IN BANGLADESH

Year	Policy / Issues	Effect / Objectives
1970-1980	An era of debate	Since the first government has nationalized all then Pakistani commercial banks, therefore there had been intense debate in Bangladesh on the need and rationale for financial sector reform.
1981-1985	Denationalization started and permission for private commercial banks.	Out of six nationalized banks denationalization of the <i>Uttara Bank</i> and <i>Pubali Bank</i> took place and a number of new private commercial banks (PCBs) were given licenses.
Mid 1980s	The Money, Banking and Credit Commission was constituted.	The commission started to define the scope and modalities of the early phase of the reform.
Early 1990s	First intervention of World Bank: Start of Financial Sector Adjustment Credit (FSAC) Start of Financial Sector Reform Program (FSRP).	Allowed private commercial banks to operate in a more competitive environment with less regulatory requirements.
1991-1997	Implementation of National Banking Commission Report and Interest Rate Reforms and Banking Companies Act	Initiation of managed interest rate policy by setting ceiling and floor for interest rates on loans and deposits and classification and recovery of loans. Introduction of a short term bill called "91-day Bangladesh Bank Bill". Reduction in CRR and payment of interest on bank reserves.
1992	Establishment of The Credit Information Bureau (CIB)	The objectives behind setting up of the CIB was to minimize the extent of default loans by providing the participants with timely reports on credit information based on the enquiry/request about the loan applicants.
1993	Securities and Exchange Commission Act (1993)	This has allowed Bangladesh banks to initiate policy in order to improve the money market discipline & capital market.
1993	Financial Institution Act	This law has allowed private investment in establishing banking organization.
1994	Financial Institution Regulation Act	This act has been a bigger step for liberalizing and ordering the financial institutions.
1997	Capital Adequacy Policy	Allows bank to take account of different degrees of credit risk and cover both on and off balance sheet transactions.
1997	Bangladesh Bank removes ceiling on deposit rates	Allows multiple rates within a lending category and more frequent rate changes by individual banks.
1997	Bankruptcy Act	Provides greater powers to addresses insolvency and cross-indebtedness of borrowers.
1998	Loan Classification and Provisioning Circular	Creates new loan categories that help distinguish the quality of lending.
1999	Reduction in Lending to Directors of Private Banks	Limits volume of lending to bank directors and their families to reduce corruption
1999	Deposit Insurance Act	Stopping the chance of bank run and helped bank to operate prudently
2000	Financial Statement Format Amendments	Greater transparency and disclosure among banking companies.
2002	Money Laundering Prevention Act 2002	The act aims at dealing with the problem that has severe impact on the country's money reserves.
2003	Central Bank Strengthening Project (CBSP)- jointly funded by the World Bank and Government of Bangladesh (GoB)	Achieving a strong and effective regulatory and supervisory system for Bangladesh's banking sector.
2003	Financial (Money) Loan Court Act (2003)	The objective was to enable better supervision on lending activities of commercial bank to deal with problem of bad loans or loan default
2004	Reforming nationalized commercial banks (NCBs)	GoB with the help of WB's Enterprise Growth and Bank Modernization Project has initiated reform of four nationalized commercial banks to improve their performance and efficiency.
2009	Guidelines for Merger/Amalgamation of Banks/Financial Institutions	This has allowed banks or other financial institutions to undergo various forms of restructuring in required.
2009	Bangladesh Payment and Settlement Systems Regulations	To regulate and supervise payment systems that operate in Bangladesh, including cross border transactional activities in Bangladesh that affect its currency.
2009	Guidelines on Subordinated Debt	Since The scheduled banks should have capital plan approved by their Board of Directors, this regulation allows banks to have capital plan by issuing subordinated debt with the permission of Bangladesh Bank to qualify as regulatory capital (Tier 2 or Tier 3).
2010	Guideline on ICT Security For Scheduled Banks and Financial Institutions	A Guideline for ICT Security for banks & FIs to be used as a minimum requirement and as appropriate to the level of computerization of their operations.
2010	Guideline for stress testing	This guideline aim at making it compulsory for every single commercial bank to have stress testing twice a year to assess their solvency position in case of crisis in banking industry.
2010	Guideline on Supervisory review and evaluation process (SREP)	A guideline for a bank's own supervisory review of capital positions, aiming to reveal whether a bank has prudent risk management and sufficient capital to cover the risk profile.
2010	Bangladesh Electronic Funds Transfer Network (BEFTN)	Based on the earlier Remittance and Payments Partnership (RPP), this new mechanism allows the automation of the existing paper cheque clearing system which is known as the Bangladesh Automated Cheque Processing System (BACPS).
2011	Guideline for Mobile Service Banking	This regulation allows bank's customer to have mobile phone banking service which is possible due to the sheer nature of the mobile coverage in the country.
2011	Prudential guideline on capital adequacy and market discipline for financial institutions.	These guidelines will be able to make the regulatory requirements more appropriate and will also assist the FIs to follow the instructions more efficiently for smooth implementation of the Basel Accords in the Financial Institutions of Bangladesh.

Source: Modified and extended from Shabbar Jaffry, Yaseen Ghulam, Sean Pascoe, Joe Cox February (2007) and Various Issues of Publications by Bangladesh Bank.

With these major policy shifts and guidelines over the last 40 years, the banking system in Bangladesh has come to a stage where they no longer restrict themselves to traditional activities of accepting deposit or giving loan. Rather a wider range of services including corporate banking, international trade facilities, consumer credit, electronic services, SME banking, non-residential banking, stock trading, housing finance, pension fund management, investment and merchant banking activities are provided by a handsome number of banks in Bangladesh. Although the banking sector reform in 1990 has played crucial role in the development of overall infrastructure of function, process, growth, competition etc. of banking industry, the financial market development activities and globalization resulted new area of business opportunities for the banking industry. These forces have pushed the banking firms to enter in to a new area of business in order to hang on previous customer or enter into a whole new market with immense potentiality. Moreover product boundaries has blurred, which forced banks to go for diversifications, gradually making a transition towards universal banking from traditional banking.

RESEARCH PROBLEMS AND METHODOLOGY

Today most of the commercial banks in Bangladesh are providing a wide range of services under one roof. However, it is yet a matter of investigation to what extent these services match with the available services provided by universal banks, if not in terms of quality but at least in terms of offerings. Across the world, the best termed universal bank has been identified by Ingo Walter (1997) as Citicorp, Chase, Deutsche bank, Credit Lyonnais, Barclays, Bank of America, NatWest, etc. In fact Citicorp operates in Bangladesh along with other two foreign banks (HSBC and Standard Chartered) close to ranks of universal banks. Therefore, the current study will try to find out to what extent Bangladeshi commercial banks offers products and services those are available at most widely recognized universal banks. To test the availability of universal banking offerings in Bangladeshi banking industries, each of the universal banking services will be ranked in between on a scale of 0-5. Then each of the sample bank's offerings will be placed on to the scale to measure the direction towards universal banking. For the purpose of scaling, the positioning score of 0-5 has been developed to reflect the level of evolution of these banks from traditional to universal banking practices. Thus at first a focus group of five senior level practicing bank managers have been developed headed by a senior executive vice president of an anonymous bank. The theme of the paper was presented to them and discussion took place how the services of major universal banks across the world especially Citicorp, Deutsche bank, Barclays, NatWest and then HSBC, Standard Chartered Bank Limited etc. can be grouped under different transition points of the banking industry to reflect evolution toward universal banking. Latter on the scaled services under different points has been presented to another group of five experts for a Delphi panel view. A minor adjustment in terms of service grouping has been considered before the final scaling format was developed. The position scaled so created has been presented in the table 03.

TABLE 03: SERVICES UNDER DIFFERENT POINTS OF THE POSITIONING SCALE

Positioning Scale	Product or Services	Total
(Commercial Bank) Point Scale '0'	<ul style="list-style-type: none"> ▪ Accepting Deposits ▪ Making Advances 	02
Point Scale '1'	<ul style="list-style-type: none"> ▪ Retail Loans ▪ Locker Facilities ▪ Travelers Checks and Credit Cards ▪ Business Overdraft Facilities ▪ Pension funds management 	05
Point Scale '2'	<ul style="list-style-type: none"> ▪ Loan against Fixed assets ▪ Loan against securities ▪ Housing loan ▪ Seasonal Agricultural Loan ▪ Export Finance. ▪ Tax Payments ▪ Foreign Exchange Remittance 	07
Point Scale '3'	<ul style="list-style-type: none"> ▪ Utilities Bills Payments ▪ Academic Tuition Bills Payments ▪ Cash Management Services ▪ Letter of Credit and Export Bills Negotiations ▪ Non-residential Exchange and Non-Residential Accounts ▪ Facilitates Donations for Charity ▪ Working Capital Loans 	07
Point Scale '4'	<ul style="list-style-type: none"> ▪ Prepaid Cards for Payment Disbursement ▪ Credit Cards ▪ ATM Cards ▪ Debit Cards ▪ Depository Services ▪ Consultancy/ Trade Services ▪ Investment Banking ▪ Phone Banking ▪ Insurance ▪ Mutual Fund ▪ Health Cards / Health Saving Accounts ▪ NR Investment Accounts ▪ Online stock trading ▪ Merchant Banking ▪ Remote check deposits ▪ Online Automated Clearing House Organization ▪ Lock Box ▪ SME loans ▪ Currency service ▪ Wire Transfer / SWIFT facilities ▪ Islamic Banking Services 	21
Point Scale '5' (Universal Banking)	<ul style="list-style-type: none"> ▪ Derivatives and Forward contracts ▪ Home search ▪ Credit Securitization ▪ Other Securitized Products 	04
Total Products and Services		45

Source: Compiled from various Universal Bank's annual report with the help of Ingo Walter (1997)

Latter on data relating to services offered by different commercial banks in Bangladesh has been collected from annual reports of banks and from their websites. A total of 35 banks service data has been studied and the score for each bank has been calculated based on the position scale of services of table 04.

SCORING METHODOLOGY

The positioning score presented in the table has six point ranging 0-5. A traditional service offering of accepting deposits and making advances will receive 0 point indicating bank has not shifted towards universal banking form traditional one. In contrast to point 0, point 5 on the scale will define a bank as fully functional universal bank in terms of service offerings.

All the services under respective points of the scale are assigned equal weights and then weighted average score of a bank is calculated for each point of the scale.

Composite Score (Cs) = $\sum Wp \cdot AVGw \cdot Si$ equation (1.0)

Where,

AVGw = Average weight assigned to each product in a particular scaling point calculated by 1 / no. of services in that point scale.

Si = No. of services bank offering under a particular scaling point.

i = 1, 2,.....n (denotes number of services under a point of the scale)

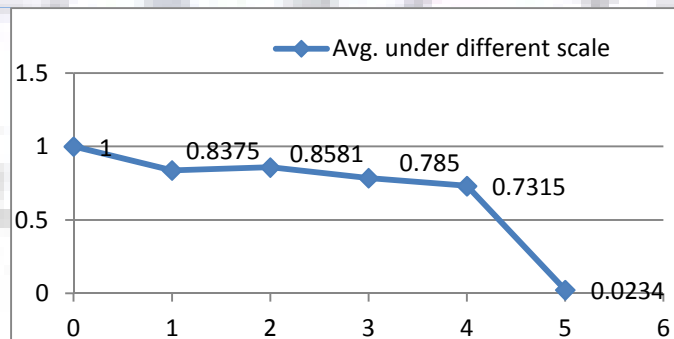
Wp = Value of each product under each category in overall scaling.

FINDINGS AND ANALYSIS

The following table (Table 4) shows the calculated value of the composite score (Cs) as per the equation 1.0. The findings suggest that only 5 banks out of selected 32 banks have score above 3.00, the standard score for considering a bank’s trend of universal banking as suggested by Chandana Goswami et. al (2009).

TABLE 04: COMPOSITE SCORE OF SELECTED BANKS IN THEIR TRENDS TOWARDS UNIVERSAL BANKING

Banking Firms	Percentage of Universal Services Offered						Composite Score
	0	1	2	3	4	5	
Universal Banks Services	100%	100%	100%	100%	100%	100%	5.000
Sonali Bank Limited	100%	100%	100%	100%	86%	25%	3.560
City Bank	100%	100%	86%	86%	81%	25%	3.258
Dhaka Bank Limited	100%	100%	100%	86%	71%	25%	3.226
Janata Bank Limited	100%	100%	100%	100%	86%	0%	3.143
Dutch-Bangla Bank Ltd.	100%	100%	100%	100%	81%	0%	3.079
Eastern Bank Limited	100%	80%	100%	100%	76%	0%	2.949
Prime Bank Limited	100%	80%	86%	100%	81%	0%	2.917
Southeast Bank Ltd.	100%	10%	86%	86%	76%	0%	2.844
Standard Bank Ltd.	100%	100%	86%	86%	76%	0%	2.844
Uttara Bank Limited	100%	80%	100%	86%	71%	0%	2.743
Brac Bank Limited	100%	80%	86%	100%	67%	0%	2.727
Exim Bank Limited	100%	100%	86%	86%	71%	0%	2.714
AB Bank	100%	80%	86%	86%	76%	0%	2.711
Pubali Bank Limited	100%	100%	86%	71%	76%	0%	2.702
Jamuna bank limited	100%	10%	86%	71%	76%	0%	2.702
Shahjalalbank	100%	10%	86%	71%	76%	0%	2.702
NCC Bank Ltd.	100%	100%	86%	86%	67%	0%	2.651
Islami Bank Bangladesh Limited	100%	10%	86%	71%	71%	0%	2.638
Rupali Bank Ltd.	100%	100%	86%	71%	76%	0%	2.635
Social Investment Bank Ltd.	100%	80%	71%	86%	76%	0%	2.616
First Security Islami Bank Ltd.	100%	100%	71%	71%	76%	0%	2.606
Bank Asia Ltd.	100%	100%	86%	86%	62%	0%	2.587
UCBL	100%	100%	86%	57%	76%	0%	2.559
National Bank Limited	100%	100%	86%	71%	67%	0%	2.508
Premier Bank Ltd.	100%	100%	86%	57%	76%	0%	2.492
Al-Arafa Islami Bank Ltd.	100%	100%	71%	57%	76%	0%	2.463
One Bank Ltd.	100%	100%	71%	57%	76%	0%	2.463
IFIC Bank Limited	100%	100%	86%	71%	62%	0%	2.444
Mutual Trust Bank Limited	100%	100%	71%	71%	67%	0%	2.413
Trust bank	100%	80%	86%	71%	62%	0%	2.378
Mercantile Bank Ltd.	100%	100%	86%	57%	67%	0%	2.365
Bangladesh Commerce Bank Ltd	100%	80%	71%	57%	57%	0%	2.076
Avg. under different scale	100%	83.75%	85.81%	78.5%	73.15%	2.34%	2.079
	(0.00)	(.2959)	(.0902)	(.1467)	(.0688)	(.0740)	(.0317)



However, a general glance of scrutiny suggests that, only seven banks out of total 32 banks have composite score lower than the average of 2.50 which is the cutoff point from 0-5 scale. Clearly this shows an encouraging sign for the commercial banking industry of Bangladesh in its journey towards universal banking. This is also evident with the growing nature of certain regulations coming from Bangladesh Banks to regulate specific universal banking activities like Securities and Exchange Commission Act 1993, Deposit Insurance Act, Guidelines for Subordinated Debt, and Guidelines for Stress Testing etc. Moreover, the score so obtained will change (increase/decrease) once a commercial bank adds or deducts a new product / services.

However, looking at the average value of different point scale, it is interesting to note that, the average availability of universal products in our commercial banks decreases as we move from lower end to higher end products. Infact there is almost zero availability of point 5 scale products in any commercial banks in Bangladesh. The overall average of 2.079 suggests that our overall banking industry does not represent a very good trend towards universal banking practices.

Thus it can be argued that even if there are a few banks looking forward to break the shackles of traditional banking, but there is a long way to go for the entire banking industry to become truly universal banks.

CONCLUSION

Like every single country especially USA, European Union, Japan, China, commercial banks in Bangladesh have undergone a rapid expansion and changes. These changes have been due to regulatory requirements, change in overall structure and growth of financial sectors in Bangladesh as well as for accommodating the growing demand of the customers. However, the idea of providing insurance, investment banking services, mutual fund management as well derivative offerings is yet too far for most of the commercial banks in Bangladesh. The availability of these products under the umbrella of one bank in Bangladesh is not a choice that banks makes; rather it is the decision of the regulatory authorities in Bangladesh to decide if the banking business in Bangladesh has matured enough to provide such services. Thus the trend towards universal banking for Bangladeshi commercial banks is not going to be too rapid. Of course the recent failure of universal banks across the world may twist the question if there is a need for a growth in universal banking at all.

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COMPARISON OF IMAGE ENHANCEMENT TECHNIQUES

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ABSTRACT

Poor illumination during image acquisition leads to poor contrast and poor brightness. The resultant effect is that some features of the acquired image are obscured. Image enhancement processes an image so that the resulting image will be more suitable than the original image for a specific application. Algorithms for various image enhancement techniques are developed as digital computer programs and tested in Matlab working environment. The effects of the various image enhancement techniques are compared. The choice of the best technique is a function of input image and desired effect. Histogram processing and Linear Point Transformation (Auto-scaling) are found to improve both contrast and brightness. Logarithm and exponential transformations have opposite effects on input image. Post-processing has been used to correct the problem of poor illumination. It has helped in bringing out obscured details in images. Significant improvements in contrast and brightness have been recorded.

KEYWORDS

Illumination, Enhancement, Histogram, Transformation, Post-processing.

INTRODUCTION

The conditions under which image signals are acquired are frequently less than ideal. These non-ideal conditions may introduce noise, distortion, or other artefacts. The acquired or available image in most cases is not exactly the same as the actual or true image. Some features of the image are obscured. The image has poor contrast or poor brightness probably due to poor illumination during acquisition. Image Enhancement is required for image improvement.

The physical requirements for improved image quality are unrealizable. For instance, in x-ray imaging, improved image quality occurs with increased incident x-ray beam intensity, which is hazardous to a patient's health. In gamma-ray imaging, improved image quality occurs with increased dosage of pre-scanning radionuclide injection, which is hazardous to a patient's health. In security surveillance camera monitoring, poor illumination is inevitable at night and in dark places when and where more crimes are committed. Post-processing such as enhancement is therefore the only alternative for improved image quality.

Image enhancement processes an image so that the resulting image will be more suitable than the original image for a specific application. This suitability is subjective and relative to each application. The image is manipulated in order to take advantage of the psychophysical aspects of the human visual system. It is hard to standardize the definition of good image as the visual evaluation of image quality is a highly subjective process (Bertero and Boccacci, 2004; Chan and Shen, 2005; Dhawan *et al*, 1986; Gonzalez and Woods 2002; Greer *et al*, 1987; Jain, 1986; Kenneth, 1996; Teuber, 1992; Tony and Jianhong, 2005; Weeks, 1999; Young *et al*, 1998). The objective of image enhancement is to bring out details which are obscured in an image, or simply to highlight certain features of interest in an image. One the recent algorithms for image enhancement is genetic algorithm (Hashemi *et al*, 2010).

Contrast of an image is the range from the darkest regions of the image to the lightest regions. The mathematical representation is

$$contrast = \frac{I_{max} - I_{min}}{I_{max} + I_{min}} \tag{1}$$

where I_{max} and I_{min} are the maximum and minimum intensities of a region or image.

Images with good contrast have a good representation of all luminance intensities. As the contrast of an image increases, the viewer perceives an increase in detail. This is purely a perception issue as the amount of information in the image does not increase. Human beings' perception is sensitive to luminance contrast rather than absolute luminance intensities (Chanda and Majumer, 2000; Gonzalez and Woods, 2002; Jain, 1986; Tony and Jianhong, 2005; Weeks, 1999).

Brightness of an image is defined as the average of all the pixels within the image. It is given as

$$brightness = B = \frac{1}{NM} \sum_{y=m}^{M-1} \sum_{x=n}^{N-1} g(m,n) \tag{2}$$

where N and M are the numbers of rows and columns respectively in $g(m,n)$ (Chanda and Majumer, 2000; Gonzalez and Woods, 2002; Jain, 1986; Tony and Jianhong, 2005; Weeks, 1999).

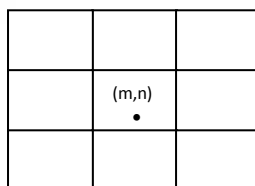
IMAGE ENHANCEMENT TECHNIQUES

POINT PROCESSING

Spatial domain enhancement procedures use the transformation of Eqn. (3). T is an operator on an input image $f(m,n)$ defined over some neighbourhood of (m,n) to enhance the image to give a better output image $g(m,n)$. The Neighbourhood of a point (m,n) is defined by using a rectangular sub-image area shown in Fig. 1 which is centred at point (m,n) . The centre of the sub-image is moved from pixel to pixel of $f(m,n)$ starting at the top left corner (Chanda and Majumer, 2000; Florack *et al.*, 1994; Gonzalez and Woods, 2002; Jain, 1986; Tony and Jianhong, 2005; Weeks, 1999).

$$g(m,n) = T[f(m,n)] \tag{3}$$

FIG. 1: NEIGHBOURHOOD OF POINT (M,N) DEFINED BY A RECTANGULAR SUB-IMAGE



If the neighbourhood is 1 x 1 pixel, the processing is said to be point processing or point operation. The value of g at point (m,n) depends on the value of f at point (m,n) only. It is applied in contrast stretching.

It is sometimes good to increase the dynamic range (contrast) of the gray levels in the image. Low-contrast image is a result of poor illumination, lack of dynamic range in the imaging sensor, or even wrong setting of a lens aperture for image acquisition.

Manipulation of an image's gray levels modifies the overall perception of the image, changing its brightness and contrast. There are three basic gray-level point transformation functions as presented in Table 1: Linear, logarithm and power-law transformations.

TABLE 1: BASIC GRAY-LEVEL POINT TRANSFORMATION FUNCTIONS

Basic Function	Type	Equation	
Linear	Auto-scaling	$g(m,n) = mf(m,n) + d$ $m = slope, d = offset$ $m = \frac{g_{max} - g_{min}}{f_{max} - f_{min}}$ $d = g_{min} - mf_{min}$	
		Logarithm	Log $g(m,n) = c \log(1 + f(m,n))$ $c \geq 0$
		Inverse Log	Inverse Log $g(m,n) = c \text{anti log}(1 + f(m,n))$ $c \geq 0$
Power-Law	Exponential	Exponential $g(m,n) = ce^{(1+f(m,n))}$ $c \geq 0$	
	$\gamma < 1$	$g(m,n) = c(f(m,n))^\gamma$ c and γ are positive constants	
	$\gamma > 1$	$g(m,n) = c(f(m,n))^\gamma$ c and γ are positive constants	

(Chanda and Majumer, 2000; Florack *et al.*, 1994; Gonzalez and Woods, 2002; Jain, 1986; Tony and Jianhong, 2005; Weeks, 1999)

Point processing is also useful for thresholding. In this application, a gray level image is converted to a binary image (black and white). The transformation equation is given by Eqn. (4).

$$g(m,n) = \begin{cases} 1 & \text{if } f(m,n) > th \\ 0 & \text{otherwise} \end{cases} \tag{4}$$

where th is the threshold value.

HISTOGRAM PROCESSING

Histogram of a digital image with gray levels in the range [0, L-1] is a discrete function given as

$$h(r_k) = n_k; k = 0, 1, 2, \dots, L-1 \tag{5}$$

where r_k is the k^{th} gray level and n_k is the number of pixels in the image having gray level r_k . h is the histogram of a digital image.

Normalized histogram is obtainable as

$$h_n(r_k) = \frac{n_k}{n}; k = 0, 1, 2, \dots, L-1 \tag{6}$$

where n is the total number of pixels in the image.

A histogram of the frequency or number of times that a pixel with a particular gray-level occurs within an image provides a useful statistical representation of the image. An image whose histogram shows a uniform distribution over the range of gray levels is the best, since this enables the eye to comprehend the contribution made by all the gray levels to the image. In practice, however, the resulting histogram is often non-uniform, with a few gray levels dominating over others to the extent that full image interpretation by the eye cannot be achieved.

It is necessary to put in place a transformation process that will increase the dynamic range (the ratio between the minimum and maximum) of intensities to include more gray scale; with the result that the overall contrast is enhanced relative to the original image. This transformation process is called "histogram processing" or "histogram equalization". Histogram processing is basic for numerous spatial processing techniques. It is used effectively for image enhancement. Information inherent in histograms also is useful in image compression and segmentation. Statistical theory shows that use of a transformation function equal to the cumulative distribution of the gray level intensities in the image generates another image with a gray level distribution having a uniform density (Chanda and Majumer, 2000; Gonzalez and Woods, 2002; Greer *et al.*, 1987; Jain, 1986; Kim *et al.*, 1997; Tony and Jianhong, 2005; Weeks, 1999). The histogram of the image is first obtained. The cumulative distribution of the gray levels is then obtained and is used to replace the original gray level intensities. This process is the transformation T in Eqn. (3) for histogram processing.

Although the above method enables the redistribution of gray levels over a uniform range, circumstances may arise where certain specific levels need to be highlighted relative to others. For example, even after application of the equalization process, certain levels may still dominate the image to the extent that the contribution of the other levels cannot be interpreted by the eye. One way to overcome this is to specify a histogram distribution which enhances selected gray levels relative to others and then reconstitute the original image in terms of the new distribution. The process of histogram equalization is first applied to the image. Histogram specification (a gray level distribution) which enhances certain levels relative to others is then considered and used.

MODELLING AND PROGRAMMING

Digital computer programs for the evaluation of minimum intensity, maximum intensity, contrast and brightness of an image were developed in Matlab working environment in accordance with Eqns. (1) and (2). A digital computer program was also developed for the evaluation and plotting of the histogram of an image. Histogram plot is a plot of frequency (no of pixels) versus intensity I. I is an integer between 0 and 255.

Point processing operations were also modelled as described in Fig. 2 and were coded into digital computer programs in Matlab working environment. The point processing functions include auto-scaling, logarithm, exponential and power-law transformations as presented in Table 1. Histogram processing was modelled as described in Fig. 3 and coded into a digital computer program. It has four basic steps. The histogram of the image is determined first. The histogram is converted to cumulative frequency which is then normalized by dividing by total no of pixels in the image. The intensity of every pixel is swapped with the product of corresponding cumulative frequency and 255 as shown in Fig. 3.

FIG. 2. MODEL FOR POINT PROCESSING

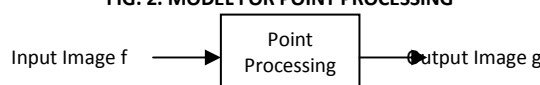
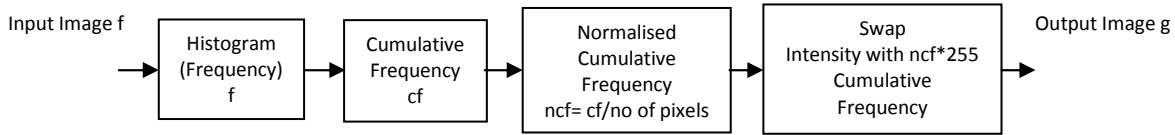


FIG. 3: HISTOGRAM PROCESSING



The programs developed in this work are adaptable for both gray-level images and red-green-blue (rgb) colour images. The various programs were tested with gray-level and colour images.

EXPERIMENTAL RESULTS

LINEAR POINT PROCESSING (AUTO-SCALING) RESULTS

Experimental results for linear point transformation (Auto-scaling) are presented in Figs. 4 and 5 for gray level and rgb colour images respectively. Auto-scaling improves both contrast and brightness.

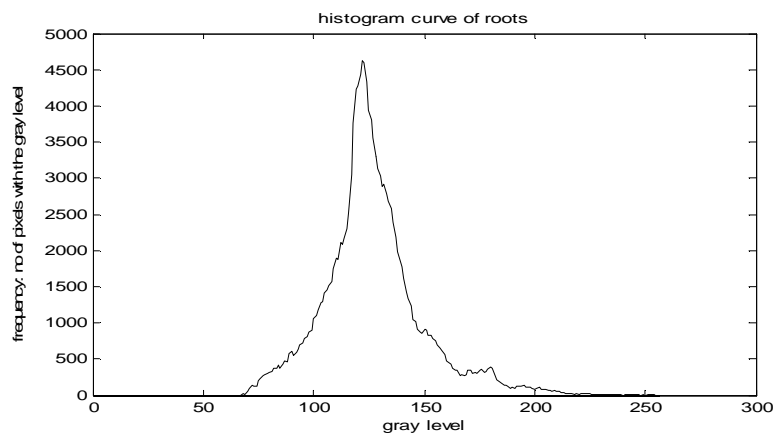
FIG. 4: LINEAR POINT TRANSFORMATION (AUTO-SCALING) RESULTS FOR ROOTS



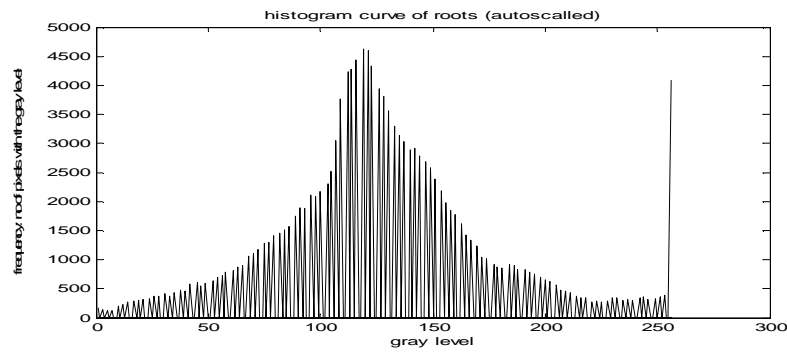
Contrast = 0.58
Brightness = 125.70
(a) Roots (Original)



Contrast = 1
Brightness = 127.78
(b) Roots (Enhanced by Auto-scaling)



(c) Histogram of Roots (Original)



(d) Histogram of Roots (Enhanced by Auto-scaling)

FIG. 5: LINEAR POINT TRANSFORMATION (AUTO-SCALING) RESULTS FOR DARK CLOCK

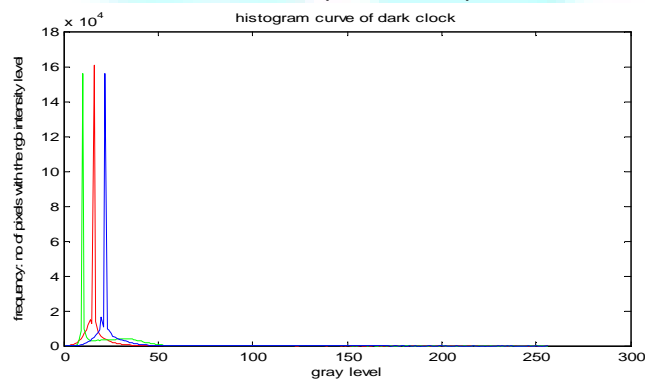


Mean Contrast = 1
Mean Brightness = 19.18
(a) Dark Clock (Original)

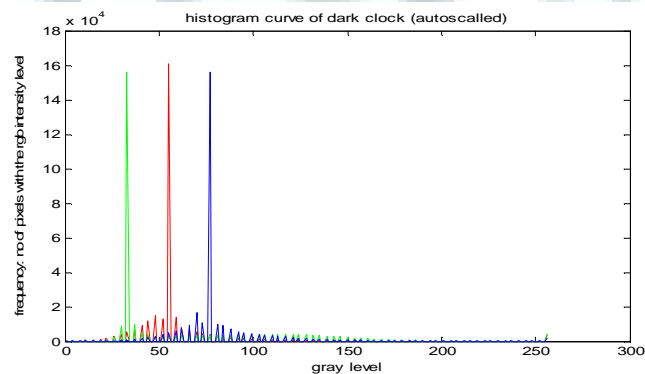


Mean Contrast = 1
Mean Brightness = 68.78
(b) Dark Clock (Enhanced by Auto-scaling)

FIG. 5: LINEAR POINT TRANSFORMATION (AUTO-SCALING) RESULTS FOR DARK CLOCK



(c) Histogram of Roots (Original)



(d) Histogram of Roots (Enhanced by Auto-scaling)

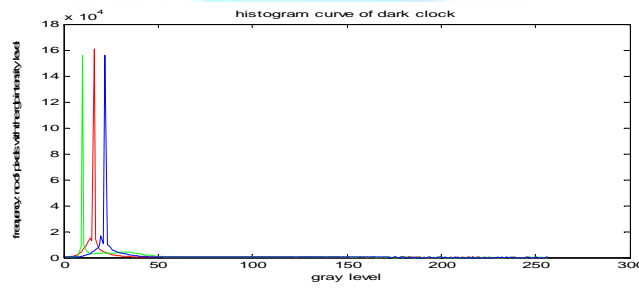
FIG. 5: LINEAR POINT TRANSFORMATION (AUTO-SCALING) RESULTS FOR DARK CLOCK



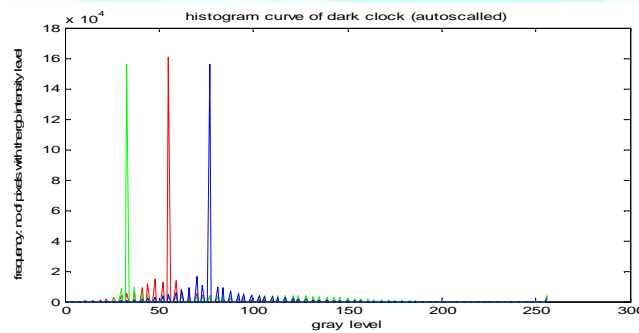
Mean Contrast = 1
 Mean Brightness = 19.18
 (a) Dark Clock (Original)



Mean Contrast = 1
 Mean Brightness = 68.78
 (b) Dark Clock (Enhanced by Auto-scaling)



(c) Histogram of Roots (Original)

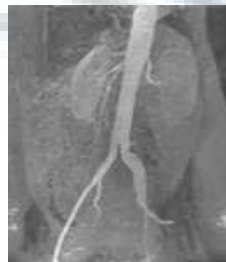


(d) Histogram of Roots (Enhanced by Auto-scaling)

HISTOGRAM PROCESSING RESULTS

Experimental results on histogram processing are presented in Figs. 6 and 7 for gray level and rgb colour images respectively. Histogram processing improves both contrast and brightness.

FIG. 6: HISTOGRAM PROCESSING RESULTS FOR ROOTS.

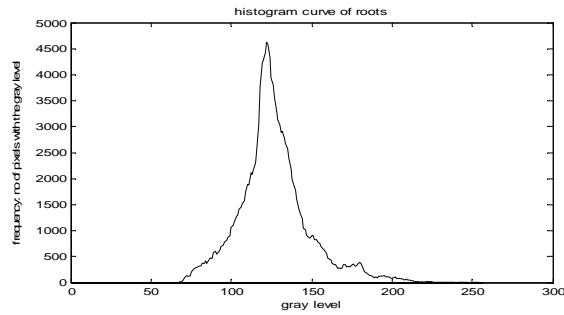


Contrast = 0.58
 Brightness = 125.70
 (a) Roots (Original)

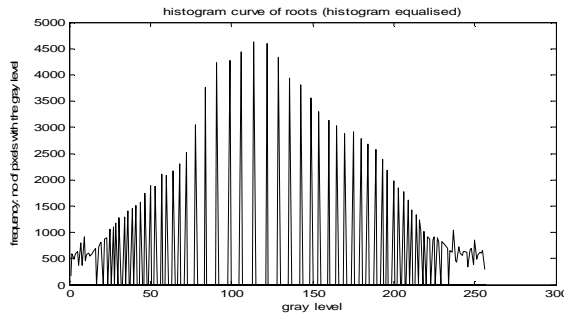


Contrast = 1
Brightness = 129.53

(b) Roots (Enhanced by Histogram Processing)



(c) Histogram of Roots (Original)



(d) Histogram of Roots (Enhanced by Histogram Processing)

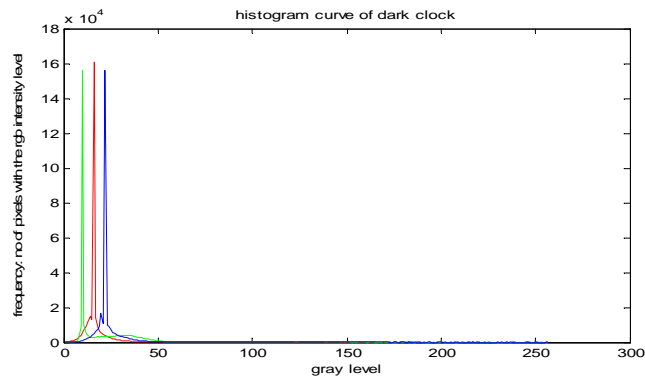
FIG. 7. HISTOGRAM PROCESSING RESULTS FOR DARK CLOCK



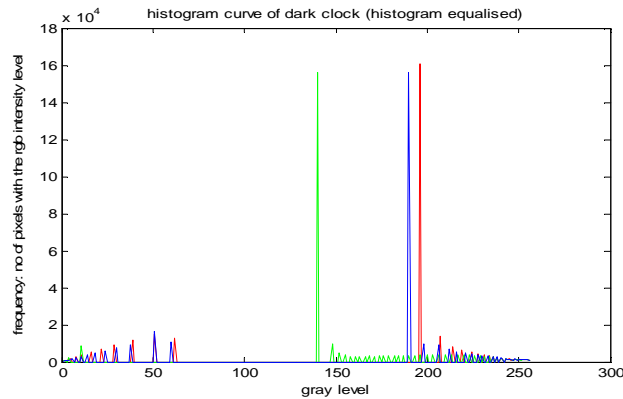
Mean Contrast = 1
Mean Brightness = 19.18
(a) Dark Clock (Original)



Mean Contrast = 1
Mean Brightness = 162.01
(b) Dark Clock (Enhanced by Histogram Processing)



(c) Histogram of Roots (Original)



(d) Histogram of Roots (Enhanced by Histogram Processing)

COMPARISON OF RESULTS

Comparison of Auto-scaling and Histogram processing results are shown in Figs. 8 and 9 for gray level and rgb colour images respectively. The results obtained by different techniques for the same image are compared and presented in Figs. 10 to 13. The techniques are Histogram processing, Auto-scaling, Logarithm transformation, Exponential transformation, and Power Law transformation. The observed opposite effects of Logarithm and Exponential Transformations are illustrated in Fig. 14. The different techniques affect input image in one way or the other. The choice of the best technique is a function of input image and desired effect. For instance, contrast increased from 0.58 to 1 (maximum) in the result of Fig. 8 and brightness increased from 19.18 to 162.01 in Fig. 9.

FIG. 8: COMPARISON OF AUTO-SCALING AND HISTOGRAM PROCESSING RESULTS FOR ROOTS

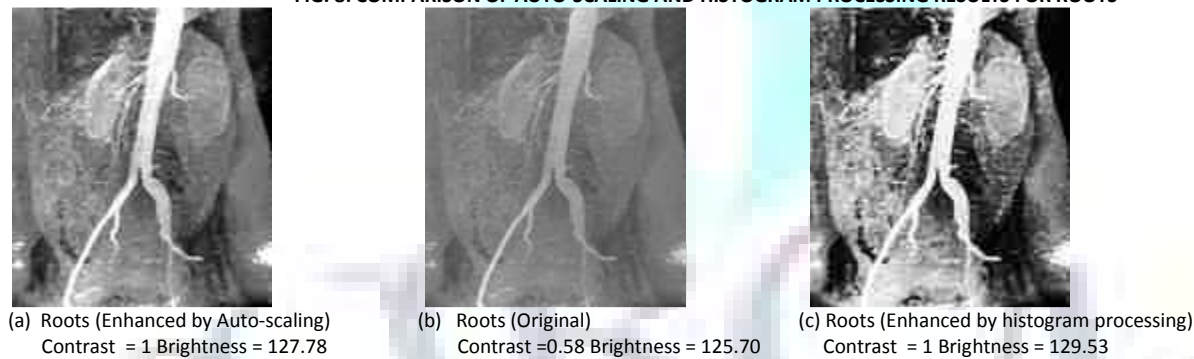


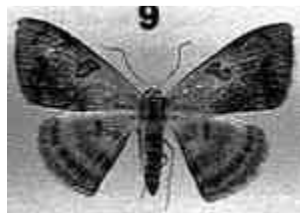
FIG. 9: COMPARISON OF AUTO-SCALING AND HISTOGRAM PROCESSING RESULTS FOR DARK CLOCK



FIG. 10: COMPARISON OF ENHANCEMENT TECHNIQUES FOR INSECT



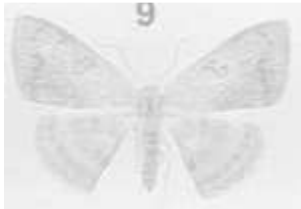
(a) Insect (Enhanced by Auto-scaling)
Contrast = 1; Brightness = 139.2



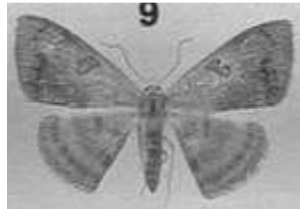
(b) Insect (Enhanced by Histogram processing)
Contrast = 1; Brightness = 128.66



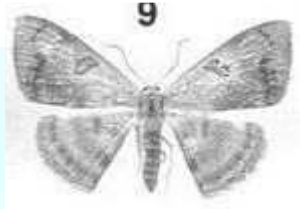
(c) Insect (Enhanced by Exponential transform)
Contrast = 1; Brightness = 36.32



(d) Insect (Enhanced by Logarithm transform)
Contrast=0.19; Brightness=230.56



(e) Insect (Original)
Contrast = 0.70; Brightness=155.41



(f) Insect (Enhanced by power law transform)
Contrast =0.67; Brightness=218.53

FIG. 11: COMPARISON OF ENHANCEMENT TECHNIQUES FOR CAR



(a) Car (Original)
Mean Contrast = 1
Mean Brightness = 104



(b) Car (Enhanced by histogram processing)
Mean Contrast = 0.70
Mean Brightness = 130.10



(c) Car (Enhanced by power transformation; $c=1; y=2$)
Mean Contrast = 1
Mean Brightness = 176.16



(d) Car (Enhanced by logarithm transformation)
Mean Contrast = 1
Mean Brightness = 160.45

FIG. 12: COMPARISON OF ENHANCEMENT TECHNIQUES FOR DARK CLOCK



(a) Dark Clock (Enhanced by Auto-scaling)
Mean Contrast = 1
Mean Brightness = 68.78



(b) Dark Clock (Enhanced by logarithm transform)
Mean Contrast = 0.90
Mean Brightness = 132.35



(c) Dark Clock (Enhanced by histogram processing)
Mean Contrast = 1
Mean Brightness = 162.01



(d) Dark Clock (Enhanced by power law transform)
Mean Contrast = 1
Mean Brightness = 98.28



(e) Dark Clock (Original)
Mean Contrast = 1
Mean Brightness = 19.18

FIG. 13: COMPARISON OF ENHANCEMENT TECHNIQUES FOR CHEST X-RAY



(a) Chest (Enhanced by histogram processing)

Mean Contrast = 1
Mean Brightness = 128.34



(b) Chest (Original)

Mean Contrast = 0.83
Mean Brightness = 114.36



(c) Chest (Enhanced by logarithm transformation)

Mean Contrast = 0.30
Mean Brightness = 206.13

Fig. 14. Comparison of Logarithm and Exponential Transformations for Clock.



(a) Clock (Enhanced by logarithm transform)

Mean Contrast = 0.97
Mean Brightness = 182.99



(b) Clock (Original)

Mean Contrast = 1
Mean Brightness = 88.26



(c) Clock (Enhanced by exponential transform)

Mean Contrast = 1
Mean Brightness = 19.67

CONCLUSIONS

Both Histogram processing and Linear Point Transformation (Auto-scaling) are found to improve both contrast and brightness. Histogram processing, Auto-scaling, Logarithm transformation, Exponential transformation and Power law transformation are compared. These different enhancement techniques are found to affect image in one way or the other. The choice of the best technique is a function of input image and desired effect.

Logarithm and exponential transformations have opposite effects on input image. A dark image acquired with poor illumination requires Logarithm transformation to improve brightness. An extremely bright image acquired with excess illumination requires Exponential transformation to improve contrast. Post-processing has been used to correct the problem of poor illumination. It has helped in bringing out obscured details in images. Significant improvements in contrast and brightness have been recorded.

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STATIONARY DEMAND CURVE MODEL UNDER JUST IN TIME INVENTORY SYSTEM

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ABSTRACT

We are familiar with the usual concept of inventory management where the chief attention is to determine Economic Order Quantity keeping cost of holding, setup cost and shortage cost in view. In order to meet economy one has to maintain some inventory of material. According to Johnson and Montogomer (1) inventory can be considered as an accumulation of commodities, which can be used to satisfy some future demands. The main reason for maintaining inventory level is to shorten the gap between demand and supply. Scientific control of inventory is essential for smooth and efficient running of business, adequate and prompt service to customers, improved profits etc. The classical EOQ model developed by Harris and Wilson (2) consists of the following three costs (i) Holding or Inventory carrying cost (ii) Shortage cost or cost of unsatisfied demand (iii) Replenishment cost or ordering cost or setup cost. In any inventory system one has to answer at least one of the following questions: I. How much to order II. When to order, so that total cost of inventory system remains minimum. But due to several uncontrolled factors like changing pattern of customers' taste and habits etc. the left over inventory of material may get deteriorated as well as may not meet with the level of satisfaction of customer Kotler (3). Hence it is not beneficial to hold more stock because it unnecessarily increases holding cost and hence the total cost. On the other hand keeping scarce inventories may sometimes results in a shortage, which increases shortage, cost and hence the total cost. Thus these three costs are so much interrelated that reduction in any one of them results in significant increase in one or both other costs and hence the total cost. The basic model proposed by Grout and Seastrand (12) is extensively used in studying manufacturing aspect of JIT from various dimensions and angles. In this paper we have developed JIT manufacturing model with dynamic demand and varying setup cost under three fundamental restriction i.e budget, space and inventories. Model developed is supported by suitable hypothetical problem with justifies the model's purpose.

KEYWORDS

Stationary demand curve moder, JIT.

INTRODUCTION

In this paper, the inventory problems are considered under the pricing structure. The model developed here strongly supports the fact that consistent relationship between the vendor and the buyer can help both of them to optimize their profits.

The model here is developed here is based on the assumption that buyer knows his requirements and the producer is always aware of it. So ultimately producer can decide his products selling price such the both the parties that is the buyer and the supplier can get optimum returns.

Generally the producer or seller buys material for a known cost and stores it per year. Let us assume that the producer knows the number of units demanded at any given price, costs k with each unit demanded, and his fixed costs per year is Rs. f . The problem is to determine the selling price in order to optimize profits.

Assume that quantity demanded (D) is a linear function of price (p) of final product and is given as $D = a_1 + a_2 p$

NOTATIONS

Q: Contract Quantity (units).
D: Annual demand (units).
A: Cost of placing an order (Rs. / order).
N: Number of shipments per contract.
P: Aggregate cost per shipment.
H: Cost of holding an inventory (Rs./unit/order).
b: positive constant.

ASSUMPTIONS

1. Demand is linear function of price.
2. Lead-time is negligible.
3. Shortages are not allowed.

PROBLEM FORMULATION

The total variable cost is given by

$$TVC(Q) = (A + NP + bQ) \frac{D}{Q} + \frac{QH}{2N} + kD \quad (1.1)$$

Considering $D = a_1 + a_2 p$ in above equation.

$$TVC(Q) = (A + NP + bQ) \frac{(a_1 + a_2 p)}{Q} + \frac{QH}{2N} + k(a_1 + a_2 p) \quad (1.2)$$

$$TVC(Q) = (A + NP) \frac{(a_1 + a_2 p)}{Q} + \frac{QH}{2N} + (k + b)(a_1 + a_2 p) \quad (1.3)$$

Differentiating equation (1.3) w.r.t. Q and equating to zero, we get

$$-(A + NP) \frac{(a_1 + a_2 p)}{Q^2} + \frac{H}{2N} = 0 \tag{1.4}$$

$$(A + NP) \frac{(a_1 + a_2 p)}{Q^2} = \frac{H}{2N} \tag{1.5}$$

Therefore,

$$Q^* = \sqrt{\frac{2N(A + NP)(a_1 + a_2 p)}{H}} \tag{1.6}$$

Thus, the minimum variable cost is

$$TVC(Q^*) = \sqrt{\frac{2H(A + NP)(a_1 + a_2 p)}{N}} + (k + b)D \tag{1.7}$$

The annual profit may be given as

$$P^* = Dp - \sqrt{\frac{2H(A + NP)(a_1 + a_2 p)}{N}} - (k + b)D - f \tag{1.8}$$

Substituting $D = a_1 + a_2 p$ in equation (1.8), we get

$$P^* = (a_1 + a_2 p)p - \sqrt{\frac{2H(A + NP)(a_1 + a_2 p)}{N}} - (k + b)(a_1 + a_2 p) - f \tag{1.9}$$

The optimum price for which the profit is maximized is given by differentiating (1.9) w.r.t. p and equating to zero. Thus $\frac{dP^*}{dp} = 0$ implies

$$(a_1 + 2a_2 p) - a_2 \sqrt{\frac{H(A + NP)}{2N(a_1 + a_2 p)}} - a_2(k + b) = 0 \tag{1.10}$$

This equation cannot be solved analytically and hence the value is obtained through successive approximation. Where

$$P^* = \left[\frac{a_2 \left(\sqrt{\frac{2H(A + NP)}{2N(a_1 + a_2 p)}} + (k + b) \right) - a_1}{2a_2} \right] \tag{1.11}$$

Using P^* obtained from (1.11) in (1.6) we get optimum order quantity which allows supplier to optimize profit and the buyer to minimize, total inventory cost.

Hypothetical Problem:

Let $A = Rs. 20$ per order; $N = 4$, $P = Rs.15$ per shipment, $D = 15000$ units, $H = Rs. 0.5$, $k = Rs. 4$ per unit, $a_1 = 10$, $a_2 = 100$.

For $p = 10$

$$P^* = \left[\frac{a_2 \left(\sqrt{\frac{2H(A + NP)}{2N(a_1 + a_2 p)}} + (k + b) \right) - a_1}{2a_2} \right]$$

Optimum value of selling price P^* is Rs.2

Therefore, $Q^* = \sqrt{\frac{2N(A + NP)(a_1 + a_2 p)}{H}} \approx 519$ units

REMARK

The hypothetical problem shows that if supplier charges Rs. 2 per unit he can earn maximum profit. The supplier as makes frequent deliveries of small shipments, which reduces his inventory level and leads buyer to minimize the total inventory cost where each contract quantity is of 519 units approximately. Thus both buyer and supplier are mutually benefited.

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A STUDY OF LEADERSHIP STYLES IN PUBLIC-SECTOR ENTERPRISES (A CASE STUDY OF BHARATH EARTH MOVERS LIMITED)

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ABSTRACT

This paper attempts to study the differences in the leadership styles as perceived by the leaders and sub-ordinates in a public-sector enterprise. The study has revealed that differences do exist in the five leadership styles viz., authoritarian, participative, bureaucratic, task-oriented and nurturant, as perceived by the leader himself and perceived by the subordinates in Bharath Earth Movers Limited (BEML).

KEYWORDS

Authoritarian leadership style, Participative leadership style, Bureaucratic leadership style, Task-oriented leadership style, Nurturing leadership styles.

INTRODUCTION

Leadership means many things to many people, which is due to the changing role of leaders in different environment and in different settings ranging from leadership of the family to the top positions in multinational organizations. However, the essentials of leadership are the same to all leaders in all positions. Nevertheless, due to the variation in the skills required, roles played, functions performed, issues tackled and the relationships promoted, different leaders have varying perceptions of leadership. Theoreticians and practitioners of leadership have gone to the extent of developing the 'contingency approach', which emphasizes that there is 'no single best way' to lead people.

CONCEPT OF LEADERSHIP

There are as many definitions of leadership as there are scholars, who have attempted to analyze and understand the concept, but there is no universally accepted definition of it, despite the fact that there are about 33,000 articles and books have been written about it in the 20th century. Leadership is a process of influencing the behaviour, beliefs and feelings of the members of a group. The functions of leadership however, cover wide range of activities like coordinating, decision-making, policymaking, group representing, controlling and arbitrating. Leadership, not being a single phenomenon, is affected by many variables and requires several skills like technical, human, conceptual, designing, creative, communicative and decision making. The main aspect of influencing people by a leader is the power, which has many sources. The leadership effectiveness covers the personality of the leader, his past experience, expectations of superiors, characteristics of subordinates, requirements of the task, and the organisational climate and policies. A common characteristic that can be found in many of the definitions is the 'influence', exerted by the leader. That is, he tries to influence the behaviour of others in a specific direction. The trait theory has been put to rigorous research by Byrd et.al., and has resulted in the development of behavioral theory. Likert's system 4 theory, McGregor X and Y theory and Continuum theory of Tannenbaum and Schmidt has opened new vistas on the behavioral dimensions of leadership. The confusion and controversy of trait and behavioral theories have given way to the contingency models of leadership like Fiedler's contingency model, Vroom and Yetton's contingency model, path goal theory, life cycle theory, tri-dimensional model, learning model.

REVIEW OF LITERATURE

Before discuss the leadership styles in the select organization, some of the important studies conducted by the researchers are presented hereunder: Mullen (1965) compared the leadership styles of managers in three divisions of a large automobile insurance company, and its relationship to each division's efficiency and effectiveness. Each manager showed a distinct leadership style: one was democratic, another laissez faire, and the third was authoritarian. It was concluded that all three divisions were operating at an equally high rate of efficiency and therefore measures of effectiveness did not show any difference between divisions.

Rensis Likert (1967) and his associates of the University of Michigan have developed four leadership systems of management: exploitative autocratic (system 1) benevolent autocratic (system 2), participative (system 3), and democratic (system 4). On the basis of intensive research, Likert has concluded that high producing departments in several organizations were followed by system 4 (democratic) leadership form of management.

Sinha and Chowdhary (1969) have studied 165 male executives in the State of Bihar, to test the effectiveness of leadership style. They have concluded that for less prepared subordinates, nurturant task leadership style is expected to be used more often and with greater effectiveness. Whereas, in case of better prepared subordinates, participative leadership style is anticipated to be effectively employed and an authoritarian leader is considered to be ineffective.

Sinha (1976) in his study hypothesized that before an organization achieves moderate degree of productivity, it requires nurturant-task style of leadership which can move employees towards harder efforts and work commitment. Once moderate level of productivity is achieved and the normative structure of the organization is interjected in the employees, then the organization is ready for the participative style of management.

Based on the study of 280 managers from two public-sector and four private-sector units, Singh and Das (1977) found that "bureaucratic" style was the most predominant, followed by the style 'benevolent autocrat', 'developer', and 'democratic' styles of leadership. They highlighted that leadership style was

associated with the type of organization, executives' age group, their level in the organization and their exposure to management programmes. In the public sector, leadership style was in the order of 'compromiser', 'developer', and 'autocratic' style. Whereas, in case of private sector organizations 'benevolent autocracy' was followed by the 'bureaucratic', 'democratic' and 'developer' styles. Hierarchy-wise, top-level managers were more 'benevolent autocrats' followed by 'democratic' and 'developer' in behaviour. At the organization level, the middle and lower level managers are more towards 'bureaucratic' followed by the 'benevolent autocrat' category. In case of age factor consideration, aged managers are more 'benevolent autocratic', followed by 'developer', 'bureaucratic' and 'democratic' leaders; whereas, the young executives are more democratic followed by 'benevolent autocratic' and 'bureaucratic'. The executives who are exposed to formal management education are more democratic as compared to those who do not have such exposure.

Sinha and Sinha (1977) noted in their study that the nurturing leaders were close to the authoritarian leaders is being strict, in pushing their ideas through, and in controlling other ideas and activities. The nurturing leaders were close to the participative ones in encouraging the members, giving due consideration to their ideas, and yet maintaining control over them.

Through a study of 120 managers, Jaggi (1978) observed in his analysis that prevailing leadership styles were between 'benevolent autocracy' and 'consultative' type, and the leadership style was associated with various factors such as the age of the executives, their position, functions and size of the organization. Younger managers and managers in larger-sized companies were less authoritarian than the managers in production and technical areas.

Singh (1979) studied 100 managers of public sector enterprises and concluded that 3 per cent of the managers adapted democratic style, 7 per cent autocratic style, 23 percent compromiser style, 31 percent bureaucratic style and 21 percent developer style. He found that differences in the leadership styles were due to the procedural rigidity in the public sector enterprises.

Muthayya and Vijaya Kumar (1985), by taking a sample of 68 scientific personnel belonging to different research institutions, identified five styles, viz., directive, negotiate, consultative, participative and delegate styles. The study indicated that the predominant style is 'directive' followed by 'delegate' and participative.

Singh and Pandey (1986) conducted a study to explain the pattern of relationship among three leadership styles (participative, authoritarian and authoritative) with different strategies of control, need-satisfaction and commitment with the organization. The study concluded that the participative style leads to greater need-satisfaction and organisational commitment, and authoritative style is closer to participative leadership but it does not lead to commitment. The study also brought out that participative and authoritative are positive styles of leadership.

Omer Bin Sayeed (1990) attempted in his study to examine the conflict-handling strategies, leadership behaviour and style in a common framework. The study was conducted on 79 middle level managers who were undergoing various training programmes at National Institute for Training in Industrial Engineering, Bombay. It was found that conflict management strategies represented two main conflict management styles, viz., Reciprocal Problem Solving Style and Authoritative System Supported Style, which tended to relate selectively with five leadership dimensions. Reciprocal conflict management style significantly related with Participative, Nurturant, and Task-oriented leadership behavior, while Authoritative Conflict Management Style had significant relationship with authoritarian and bureaucratic leadership style.

Panchanatham et. al. (1993) attempted to explore the leadership and problem solving styles of executives of public sector organizations. They opined that the executives dominantly used democratic, authoritative and coaching styles of leadership. There were no significant relationships between leadership styles and problem solving styles. The study suggested that the organization should design separate training programmes on problem solving and leadership styles and the executives of different branches should be considered equally for developmental programmes.

Syed Vazith Hussain (2002) sought to analyze the different leadership styles in small scale industries at micro level. He identified five styles, viz., benevolent, autocrat, consultative, democratic and delegation. He collected data from 98 owner-managers of small scale industries and concluded that owner-managers are adopting different styles depending upon the situation even though they are free from adopting any style. The results of the study strongly confirm the view that leadership is situational and effective leader should be flexible enough to adopt at different situations.

STATEMENT OF THE PROBLEM

From the foregoing studies it can be said that the success and failure of any organization is attributed to the effectiveness of leadership. Thus, the leadership has become indispensable and managers are to be replaced by leaders, despite the argument that leadership is dispensable by another school of thought. As such, the topic of leadership has occasioned research studies without limit, and new dimensions are added to leadership theory and practice. The present study attempts to analyze different styles of leadership and its perceptions by their subordinates.

OBJECTIVES OF THE STUDY

Against this backdrop, the specific objectives of the study are:

- (i) To identify the differences in leadership styles as perceived by the leaders in BEML.
- (ii) To find out the differences in leadership styles as perceived by the subordinates.
- (iii) To find out the differences in leadership styles as perceived by the leaders and the subordinates in the company.

HYPOTHESES

The hypotheses formulated for the study are as follows:

1. There is no significant difference in the leadership styles at the inter levels.
2. There is no significant difference in the leadership styles in the inter levels as perceived by their subordinates.
3. There is no significant difference in the leadership styles as perceived by the leader himself and those perceived by his subordinates.

METHODOLOGY OF THE STUDY

(i) SELECTION OF THE SAMPLE

The study is based on the primary data collected from the employees of BEML. The data was collected from seven hierarchical levels of officers' viz., Deputy General Manager, Assistant General Manager, Senior Manager, Managers, Assistant Managers, Engineers and Assistant Engineers from different departments of the selected organization. By adopting simple random sampling, from each level of officers 50 per cent were drawn as the sample and the total respondents for the study consisted of 399 out of 784 officers of BEML as follows.

Designation	Grade	Number of Officers	Samples drawn
Deputy General Manager	VII	16	8
Assistant General Manager	VI	31	16
Senior Manager	V	47	24
Manager	IV	95	48
Assistant Manager	III	173	88
Engineers	II	232	118
Assistant Engineers	I	190	97
Total		784	399

(ii) COLLECTION OF DATA

In the present study, three questionnaires were used to collect the data. Questionnaire I was designed to elicit the information relating to the socio-economic and organizational position variables viz., name, age, designation, experience and educational qualifications. Questionnaire II, leader satisfaction score (Sinha

1980) which was administered to officers with a view to judging their own leadership styles, and Questionnaire III was designed to measure the leader's style as perceived by his subordinates (Leader Behaviour Score) among officers. Both II and III questionnaires consisted of 50 items each to measure five leadership styles, viz., authoritative, participative, bureaucratic, task-oriented and nurturing and each of these categories consisted of 10 items. The collected responses were solicited on a 5-point scale, ranging from Quite True (5), True (4), Doubtful (3), False (2), Quite False (1).

The leadership styles were measured in two ways i.e., as perceived by the leader himself (Leader's Self Perception) and as perceived by his immediate subordinates (Subordinate's Perception of Superior Styles). For the analyses of leadership styles of the DGM, AGM, SM, M, AM and E level officers, the leader's self perception (Questionnaire-II) was used and in analyzing the styles of AGM, SM, M, AM, E and AE level employees, the subordinate's perception of the superior styles (Questionnaire-III) was used.

The Questionnaires supplied to each category of officers are: for AGM, SM, M, AM, M, AM and E level officers the questionnaires used are Questionnaire I, Questionnaire II, Questionnaire III; for DGM level officers Questionnaire I, Questionnaire II; and for AE level officers the Questionnaire I, Questionnaire III served.

TOOLS FOR ANALYSIS

The data collected through the questionnaires were processed and the hypotheses were tested through appropriate statistical tools, viz., mean, standard deviation and 't' test.

ANALYSIS ON LEADERSHIP STYLES IN BEML

The presentation and discussion of the data on leadership styles pertains to the different groups in the select organization is presented as under:

GROUP I

The difference between the leadership styles at inter levels of officers viz., Deputy General Managers and Assistant General Managers; Assistant General Managers and Senior Managers; Senior Managers and Managers; Managers and Assistant Managers; Assistant Managers and Engineers is discussed in group I category.

GROUP II

The difference between the leadership styles at inter-levels of officers as perceived by their subordinates is presented in group II category.

GROUP III

The difference between the leadership styles as judged by the leader himself and as perceived by his immediate subordinates is explained in group III category. With a view to finding out the differences among the five levels of managers viz., (1) Deputy General Managers and Assistant General Managers; (2) Assistant General Managers and Senior Managers; (3) Senior Managers and Managers; (4) Managers and Assistant Managers; and (5) Assistant Managers and Engineers of BEML in self-perception about their leadership styles and as perceived by subordinates, mean and standard deviations were computed. Further, with an intent to find out significant difference between the five levels 't' test was computed.

GROUP I. LEADERSHIP STYLES OF OFFICERS IN SELF PERCEPTION ABOUT THEIR STYLES

A. The difference between leadership styles of Deputy General Managers and Assistant General Managers self perception, is shown in Table 1.

TABLE 1: LEADERSHIP STYLES OF DEPUTY GENERAL MANAGERS AND ASSISTANT GENERAL MANAGERS

Sl. No.	Leadership Styles	Deputy General Managers		Assistant General Managers		't' value
		Mean	Standard Deviation	Mean	Standard Deviation	
1	Authoritarian (A)	30.3	6.9	31.0	7.2	0.1
2	Participative (P)	44.0	4.8	42.6	5.5	0.6
3	Bureaucratic (B)	37.4	9.9	38.8	4.1	0.4
4	Task-oriented(T)	44.3	4.1	40.5	5.7	1.9
5	Nurturant (N)	47.0	2.1	43.9	5.6	2.0

Source: Compiled from field survey

Mean values of participative, task-oriented and nurturant styles are higher for Deputy General Managers than Assistant General Managers, whereas mean values of authoritarian and bureaucratic styles are higher for Assistant General Managers than Deputy General Managers. In the authoritarian, participative, bureaucratic, task-oriented and nurturant styles, the Deputy General Managers and the Assistant General Managers do not differ significantly as the 't' values of these styles are less than the critical value (A0.080, P<0.05; P0.631, P<0.05; B0.374, P<0.05; T1.850, P<0.05 and N1.969, P<0.05). Hence, the hypothesis "there is no significant difference in leadership styles at inter levels self perception" is accepted.

B. The Leadership Styles of Assistant General Managers and Senior Managers in self perception about their styles, is shown in Table 2.

TABLE 2: LEADERSHIP STYLES OF ASSISTANT GENERAL MANAGERS AND SENIOR MANAGERS

Sl.No.	Leadership Styles	Assistant General Managers		Senior Managers		't' value
		Mean	Standard Deviation	Mean	Standard Deviation	
1	Authoritarian (A)	31.0	7.2	33.0	6.9	0.9
2	Participative (P)	42.6	5.5	40.0	3.8	1.1
3	Bureaucratic (B)	38.8	4.1	33.6	9.0	2.5
4	Task-oriented (T)	40.5	5.7	38.9	3.9	1.0
5	Nurturant (N)	43.8	5.6	40.8	4.5	1.8

Source: Compiled from field survey

Mean values of participative, bureaucratic, task-oriented and nurturant styles are higher for Assistant General Managers than Senior Managers, whereas mean values of authoritarian style is higher for Senior Managers than Assistant General Managers. In authoritarian, participative, task-oriented and nurturant styles, the Assistant General Managers and the Senior Managers do not differ significantly as the 't' values of these styles are less than the critical value (A0.869, P<0.05; P1.056, P<0.05; T0.966, P<0.05 and N1.827, P<0.05). In bureaucratic style, the Assistant General Managers and the Senior Managers differ significantly as the 't' values of these styles are greater than the critical value (B2.462, P>0.05). Hence, there is significant difference in different leadership styles of Assistant General Managers and Senior Managers.

C. The Leadership Styles of Senior Managers and Managers, is shown in Table 3.

TABLE 3: LEADERSHIP STYLES OF SENIOR MANAGERS AND MANAGERS

Sl.No.	Leadership Styles	Senior Managers		Managers		't' value
		Mean	Standard Deviation	Mean	Standard Deviation	
1	Authoritative(A)	33.0	6.9	31.6	8.9	0.7
2	Participative (P)	40.0	3.8	40.9	4.9	0.9
3	Bureaucratic (B)	33.6	9.0	36.0	7.6	1.2
4	Task-oriented (T)	38.9	3.9	40.5	4.1	1.6
5	Nurturant (N)	40.8	4.5	41.6	3.5	0.8

Source: Compiled from field survey

Mean values of authoritative style is higher for Senior Managers than Managers, whereas mean values of participative, bureaucratic, task-oriented and nurturant styles are higher for Managers than Senior Managers. In authoritarian, participative, bureaucratic, task-oriented and nurturant styles, the Senior Managers and the Managers do not differ significantly as the 't' values of these styles are less than the critical value (A0.740, P<0.05; P0.873, P<0.05; B1.149, P<0.05; T1.550, P<0.05 and N0.764, P<0.05). Therefore, there is no significant difference among different leadership styles in the inter levels of Senior Managers and Managers.

D. The Leadership Styles of Managers and Assistant Managers, is shown in Table 4.

TABLE 4: LEADERSHIP STYLES OF MANAGERS AND ASSISTANT MANAGERS

Sl.No.	Leadership Styles	Managers			Assistant Managers			't' value
		Mean	N	Standard Deviation	Mean	N	Standard Deviation	
1	Authoritative (A)	31.6	48	8.9	32.2	88	6.6	0.4
2	Participative (P)	40.9	48	4.9	40.6	88	5.1	0.4
3	Bureaucratic (B)	36.0	48	7.6	38.2	88	6.4	1.7
4	Task-oriented (T)	40.5	48	4.1	41.3	88	3.4	1.2
5	Nurturant (N)	41.6	48	3.5	41.2	88	2.9	0.7

Source: Compiled from field survey

Mean values of participative and nurturant styles are higher for Managers than Assistant Managers, whereas mean values of authoritative, bureaucratic and task-oriented styles are higher for Assistant Managers than Managers. In authoritative, participative, bureaucratic, task-oriented and nurturant styles, the Managers and the Assistant Managers do not differ significantly as the 't' values of these styles are less than the critical value (A0.443, P<0.05; P0.432, P<0.05; B1.696, P<0.05; T1.158, P<0.05 and N0.685, P<0.05). Hence, the hypothesis "there is no significant difference among different leadership styles in the inter levels of Managers and Assistant Managers" is accepted.

E. The Leadership Styles of Assistant Managers and Engineers is shown in Table 5.

TABLE 5: LEADERSHIP STYLES OF ASSISTANT MANAGERS AND ENGINEERS

Sl.No.	Leadership Styles	Assistant Managers			Engineers			't' value
		Mean	N	Standard Deviation	Mean	N	Standard Deviation	
1	Authoritarian (A)	32.2	88	6.6	34.8	118	6.6	2.7
2	Participative (P)	40.5	88	5.1	39.3	118	6.3	1.6
3	Bureaucratic (B)	38.2	88	6.4	39.6	118	5.8	1.6
4	Task-oriented (T)	41.3	88	3.4	40.4	118	4.6	1.6
5	Nurturant (N)	41.2	88	2.9	42.1	118	3.7	1.9

Source: Compiled from field survey

Mean values of participative and task-oriented styles are higher for Assistant Managers than Engineers, whereas mean values of authoritative, bureaucratic and nurturant styles are higher for Engineers than Assistant Managers. In authoritative, participative, bureaucratic, task-oriented and nurturant styles, the Managers and the Assistant Managers do not differ significantly as the 't' values of these styles are less than the critical value (A2.737, P<0.05; P1.608, P<0.05; B1.638, P<0.05; T1.594, P<0.05 and N1.861, P<0.05). In authoritative style, the Managers and Assistant Managers differ significantly as the 't' values of these styles are greater than the critical value (A2.737, P>0.05). Hence, the hypothesis "there is no significant difference among different leadership styles in the inter levels of Assistant Managers and Engineers" is rejected.

GROUP II. THE LEADERSHIP STYLES OF OFFICERS AS PERCEIVED BY THEIR SUBORDINATES

A. Leadership Styles of Deputy General Managers and Assistant General Managers as perceived by their subordinates, is shown in Table 6.

TABLE 6: LEADERSHIP STYLES OF DEPUTY GENERAL MANAGERS AND ASSISTANT GENERAL MANAGERS AS PERCEIVED BY THEIR SUBORDINATES

Sl.No.	Leadership Styles	Deputy General Managers			Assistant General Managers			't' value
		Mean	N	Standard Deviation	Mean	N	Standard Deviation	
1	Authoritarian (A)	24.1	16	6.5	32.5	24	7.7	3.7
2	Participative (P)	40.6	16	6.6	33.8	24	6.3	3.3
3	Bureaucratic (B)	38.4	16	4.9	35.7	24	4.7	1.7
4	Task-oriented (T)	39.8	16	6.4	36.4	24	4.6	1.8
5	Nurturant (N)	42.0	16	4.4	38.7	24	3.8	2.5

Source: Compiled from field survey

Mean values of participative, bureaucratic, task-oriented and nurturant styles are higher for Deputy General Managers than Assistant General Managers, whereas mean value of authoritative style is higher for Assistant General Managers than Deputy General Managers. In bureaucratic and task-oriented styles, the Deputy General Managers and Assistant General Managers do not differ significantly as the 't' values of these styles are less than the critical value (B1.743, P<0.05 and T1.792, P<0.05). In authoritative, participative and nurturant styles, the Deputy General Managers and Assistant General Managers differ significantly as the 't' values of these styles are greater than the critical value (A3.709, P<0.05; P3.247, P<0.05 and N2.460, P<0.05). Hence, the hypothesis "there is no significant difference among different leadership styles in the inter levels as perceived by their subordinates" is rejected.

B. Leadership Styles of Assistant General Managers and Senior Managers as perceived by their subordinates, is given in Table 7.

TABLE 7: LEADERSHIP STYLES OF ASSISTANT GENERAL MANAGERS AND SENIOR MANAGERS AS PERCEIVED BY THEIR SUBORDINATES

Sl.No.	Leadership Styles	Assistant General Managers			Senior Managers			't' value
		Mean	N	Standard Deviation	Mean	N	Standard Deviation	
1	Authoritative (A)	32.5	24	7.7	31.4	48	7.6	0.6
2	Participative (P)	33.8	24	6.3	37.3	48	6.4	2.2
3	Bureaucratic (B)	35.7	24	4.7	35.5	48	6.4	0.2
4	Task-oriented (T)	36.5	24	4.6	37.0	48	6.1	0.5
5	Nurturant (N)	38.7	24	3.8	38.7	48	5.8	1.0

Source: Compiled from field survey

Mean values of authoritative and bureaucratic styles are higher for Assistant General Managers than Senior Managers, whereas mean values of participative and task-oriented styles are higher for Senior Managers than Assistant General Managers. The mean value of nurturant style is equal in Assistant General Managers and Senior Managers. In authoritative, bureaucratic, task-oriented and nurturant styles, the Assistant General Managers and the Senior Managers do not differ significantly as the 't' values of these styles are less than the critical value (A0.563, P<0.05; B0.157, P<0.05; T0.485, P<0.05 and N1.00, P<0.05). In participative style, the Assistant General Managers and the Senior Managers differ significantly as the 't' values of these styles are less than the critical value (P2.157, P>0.05).

Hence, the hypothesis “there is no significant difference among different leadership styles in the inter levels of officers as perceived by their subordinates” is accepted.

C. Leadership Styles of Senior Managers and Managers as perceived by their subordinates, is shown in Table 8.

TABLE 8: LEADERSHIP STYLES OF SENIOR MANAGERS AND MANAGERS AS PERCEIVED BY THEIR SUBORDINATES

Sl.No.	Leadership Styles	Senior Managers			Managers			't' value
		Mean	N	Standard Deviation	Mean	N	Standard Deviation	
1	Authoritative (A)	31.4	48	7.6	32.4	88	7.9	0.7
2	Participative (P)	37.3	48	6.4	35.8	88	8.5	1.1
3	Bureaucratic (B)	35.5	48	6.4	36.6	88	5.4	1.1
4	Task-oriented (T)	37.0	48	6.0	36.7	88	7.4	0.3
5	Nurturant (N)	38.7	48	5.8	36.9	88	7.7	1.5

Source: Compiled from field survey

Mean values of participative, task-oriented and nurturant styles are higher for Senior Managers than Managers, whereas mean values of authoritative and bureaucratic styles are higher for Managers than Senior Managers. In authoritative, participative, bureaucratic, task-oriented and nurturant styles, the Senior Managers and Managers do not differ significantly as the 't' values of these styles are less than the critical value (A0.686, P<0.05; P1.143, P<0.05; B1.066, P<0.05; T0.28, P<0.05 and N1.54, P<0.05). Hence, the hypothesis “there is no significant difference among different leadership styles in the inter levels of officers as perceived by their subordinates” is accepted.

C. Leadership Styles of Managers and Assistant Managers as perceived by their subordinates, is shown in Table 9.

TABLE 9: LEADERSHIP STYLES OF MANAGERS AND ASSISTANT MANAGERS AS PERCEIVED BY THEIR SUBORDINATES

Sl. No.	Leadership Styles	Managers			Assistant Managers			't' value
		Mean	N	Standard Deviation	Mean	N	Standard Deviation	
1	Authoritarian (A)	32.4	88	7.9	31.6	118	8.3	0.7
2	Participative (P)	35.8	88	8.5	35.1	118	6.9	0.6
3	Bureaucratic (B)	36.6	88	5.4	37.1	118	4.7	0.6
4	Task-oriented (T)	36.7	88	7.4	37.6	118	5.4	0.9
5	Nurturant (N)	36.9	88	7.6	39.5	118	5.5	2.8

Source: Compiled from field survey

Mean values of authoritative and participative styles are higher for Managers than Assistant Managers, whereas mean values of task-oriented, nurturant and bureaucratic styles are higher for Assistant Managers than Managers. In authoritative, participative, bureaucratic, and task-oriented styles, the Managers and Assistant Managers do not differ significantly as the 't' values of these styles are less than the critical value (A0.667, P<0.05; P0.602, P<0.05; B0.622, P<0.05 and T0.91, P<0.05). In nurturant style, the Managers and Assistant Managers differ significantly as the 't' values of these styles are greater than the critical value (N2.764, P>0.05). Hence, the hypothesis “there is no significant difference among different leadership styles in the inter levels of officers as perceived by their subordinates” is rejected.

D. Leadership Styles of Assistant Managers and Engineers as perceived by their subordinates, is shown in Table 10.

TABLE 10: LEADERSHIP STYLES OF ASSISTANT MANAGERS AND ENGINEERS AS PERCEIVED BY THEIR SUBORDINATES

Sl.No.	Leadership Styles	Assistant Managers			Engineers			't' value
		Mean	N	Standard Deviation	Mean	N	Standard Deviation	
1	Authoritarian (A)	31.6	118	8.3	31.9	97	8.8	0.3
2	Participative (P)	35.1	118	6.9	35.6	97	7.3	0.5
3	Bureaucratic (B)	37.1	118	4.7	34.5	97	6.5	3.3
4	Task-oriented (T)	37.6	118	5.4	38.3	97	6.0	0.9
5	Nurturant (N)	39.5	118	5.5	37.9	97	7.1	1.8

Source: Compiled from field survey

Mean values of bureaucratic and nurturant styles are higher for Assistant Managers than Engineers, whereas mean values of task-oriented, authoritative and participative styles are higher for Engineers than Assistant Managers. In authoritative, participative, task-oriented and nurturant styles, the Managers and Assistant Managers do not differ significantly as the 't' values of these styles are less than the critical value (A0.297, P<0.05; P0.457, P<0.05; T0.921, P<0.05 and N1.778, P<0.05). In bureaucratic style, the Managers and Assistant Managers differ significantly as the 't' value of these styles are greater than the critical value (B3.311, P>0.05). Hence, the hypothesis “there is no significant difference among different leadership styles in the inter levels of officers as perceived by their subordinates” is rejected.

GROUP III. LEADERSHIP STYLES AS JUDGED BY THE LEADER HIMSELF AND AS PERCEIVED BY HIS SUBORDINATES

With a view to find out difference between leadership style of a superior, as judged by the superior himself and as judged by his immediate subordinates, the analysis was done at six levels viz., Deputy General Manager, Assistant General Manager, Senior Manager, Manager, Assistant Manager and Engineer. Self reported scores were juxtaposed with the scores on leader behavior scores for each level. First, for the Deputy General Manager level, the leader's self perception scores were juxtaposed with the average score on subordinates (Assistant General Managers) perception on superior style. Second, for the Assistant General Manager level, the leader's self perception scores were juxtaposed with the average score on subordinates (Senior Managers) perception on superior style. Third, for the Senior Manager level, the leader's self perception scores were juxtaposed with the average score on subordinates (Managers) perception on superior style. Fourth, for the Manager level, the leader's self perception scores were juxtaposed with the average score on subordinates (Assistant Managers) perception on superior style. Fifth, for the Assistant Manager level, the leader's self perception scores were juxtaposed with the average score on subordinates (Engineers) perception on superior style. Sixth, for the Engineer level, the leader's self perception scores were juxtaposed with the average score on subordinates (Assistant Engineers) perception on superior style. To compute this 't' test was used to find out the significant difference between the leader's self perception and as perceived by their subordinates.

A. Leadership Styles of Deputy General Managers self reported and as perceived by their Subordinates, is shown in Table 11.

TABLE 11: LEADERSHIP STYLES OF DEPUTY GENERAL MANAGERS AND AS PERCEIVED BY THEIR SUBORDINATES

Sl.No.	Leadership Styles	Self judgment			Judged by their subordinates			't' value
		Mean	N	Standard Deviation	Mean	N	Standard Deviation	
1	Authoritarian (A)	30.3	8	6.9	24.1	16	6.5	2.1
2	Participative (P)	44.0	8	4.8	40.6	16	6.6	1.4
3	Bureaucratic (B)	37.4	8	9.9	38.4	16	4.9	0.3
4	Task-oriented (T)	44.3	8	4.1	39.8	16	6.4	2.1
5	Nurturant (N)	47.0	8	2.1	42.0	16	4.4	3.7

Source: Compiled from field survey

The mean values of authoritative, participative, task-oriented and nurturant styles are higher for Deputy General Managers than judged by his subordinates, whereas mean values of bureaucratic style is higher for Deputy General Managers subordinates than self judgment. The Participative and bureaucratic styles of the Deputy General Managers' as perceived by their immediate subordinates do not differ significantly as the 't' values of these styles are less than the critical values (P1.429, P<0.05 and B0.268, P<0.05). The authoritative, task-oriented and nurturant styles of the Deputy General Managers' self judgment as perceived by their immediate subordinates differ significantly as the 't' values of these styles are greater than the critical value (A2.079, P<0.05; T2.093, P<0.05 and N3.723, P<0.05). Hence, the hypothesis "there is no significant difference in the leadership styles of Deputy General Managers as judged by the leader himself and as perceived by their subordinates" is rejected.

B. Leadership Styles of Assistant General Managers self reported and as perceived by their Subordinates, is shown in Table 12.

TABLE 12: LEADERSHIP STYLES OF ASSISTANT GENERAL MANAGERS AND AS PERCEIVED BY THEIR SUBORDINATES

Sl.No.	Leadership Styles	Self judgment			Judged by their subordinates			't' value
		Mean	N	Standard Deviation	Mean	N	Standard Deviation	
1	Authoritarian (A)	31.0	16	7.2	32.5	24	7.7	0.6
2	Participative (P)	42.6	16	5.5	33.8	24	6.3	4.7
3	Bureaucratic (B)	38.8	16	4.1	35.7	24	4.7	2.2
4	Task-oriented (T)	40.5	16	5.7	36.4	24	4.6	2.4
5	Nurturant (N)	43.9	16	5.6	38.7	24	3.8	3.6

Source: Compiled from field survey

The mean values of participative, bureaucratic task-oriented and nurturant styles are higher for Assistant General Managers than judged by their subordinates, whereas mean values of authoritative styles by Assistant General Managers' subordinates than self judgment. The authoritative style of the Assistant General Managers' and as perceived by their immediate subordinates do not differ significantly as the 't' values of these styles are less than the critical value (A0.626, P<0.05). The participative, bureaucratic, task-oriented and nurturant styles of the Assistant General Managers' self judgment and as perceived by their immediate subordinates differ significantly as the 't' values of these styles are higher than the critical value (P4.672, P>0.05; B2.215, P>0.05; T2.378, P>0.05 and N3.257, P>0.05). Hence, the hypothesis "there is no significant difference in leadership styles of assistant general managers as judged by the leader himself and as perceived by their subordinates" is rejected.

C. Leadership Styles of Senior Managers and as perceived by their Subordinates, is shown in Table 13.

TABLE 13: LEADERSHIP STYLES OF SENIOR MANAGERS AND AS JUDGED BY THEIR SUBORDINATES

Sl.No.	Leadership Styles	Self judgment			Judged by their subordinates			't' value
		Mean	N	Standard Deviation	Mean	N	Standard Deviation	
1	Authoritarian (A)	33.0	24	6.9	31.4	48	7.7	0.9
2	Participative (P)	40.0	24	3.8	37.6	48	6.4	2.3
3	Bureaucratic (B)	33.6	24	9.0	35.5	48	6.4	0.9
4	Task-oriented (T)	38.9	24	3.9	37.1	48	6.1	1.6
5	Nurturant (N)	40.8	24	4.5	38.7	48	5.8	1.6

Source: Compiled from field survey

The mean values of authoritative, participative, task-oriented and nurturant styles are higher for Senior Managers than perceived by their subordinates, whereas mean values of bureaucratic style is higher as perceived by subordinates than self judgment. There is no significant difference in authoritative, bureaucratic, task-oriented and nurturant styles of the Senior Managers' and as perceived by their immediate subordinates as the 't' values of these styles are less than the critical values (A0.879, P<0.05; B0.911, P<0.05; T1.585, P<0.05 and N1.758, P<0.05). The participative style of the Senior Managers' self judgment and as perceived by their immediate subordinates differ significantly as the 't' values of these styles are greater than the critical value (P2.282, P<0.05). Hence, the hypothesis "there is no significant difference in leadership styles of senior managers as judged by the leader himself and as perceived by their subordinates" is rejected.

D. Leadership Styles of Managers and as perceived by their subordinates, is shown in Table 14.

TABLE 14: LEADERSHIP STYLES OF MANAGERS AND AS JUDGED BY THEIR SUBORDINATES

Sl. No.	Leadership Styles	Self judgment			Judged by their subordinates			't' value
		Mean	N	Standard Deviation	Mean	N	Standard Deviation	
1	Authoritarian (A)	31.6	48	8.9	32.4	88	7.9	0.5
2	Participative (P)	40.9	48	4.9	35.8	88	8.5	4.5
3	Bureaucratic (B)	36.0	48	7.6	36.6	88	5.4	0.5
4	Task-orientation (T)	40.5	48	4.1	36.7	88	7.4	3.8
5	Nurturant (N)	41.6	48	3.5	36.9	88	7.6	5.0

Source: Compiled from field survey

Managers judged themselves to be participative, task-oriented and nurturant than judged by their subordinates, whereas mean values of authoritative and bureaucratic styles are higher in case of subordinates than judged by the Managers. The perceived authoritative and bureaucratic styles of the Managers' and as perceived by their immediate subordinates do not differ significantly as the 't' values of these styles are less than the critical value (A0.512, P<0.05 and B0.467, P<0.05). The participative, task-oriented and nurturant styles of the managers' self judgment and as perceived by their immediate subordinates differ significantly as the 't' values of these styles are greater than the critical value (P4.464, P>0.05; T3.802, P>0.05 and N4.97, P>0.05). Hence, the hypothesis "there is no significant difference in leadership styles of Managers as judged by the leader himself and as perceived by their subordinates" is rejected.

E. Leadership Styles of Assistant Managers and as Perceived by their subordinates, is shown in Table 15

TABLE 15: LEADERSHIP STYLES OF ASSISTANT MANAGERS AND AS JUDGED BY THEIR SUBORDINATES

Sl. No.	Leadership Styles	Self judgment			Judged by their subordinates			't' value
		Mean	N	Standard Deviation	Mean	N	Standard Deviation	
1	Authoritarian (A)	32.2	88	6.6	31.6	118	8.3	0.6
2	Participative (P)	40.5	88	5.1	35.1	118	7.0	6.4
3	Bureaucratic (B)	38.2	88	6.4	37.1	118	4.7	1.5
4	Task-orientation (T)	41.3	88	3.4	37.6	118	5.4	6.0
5	Nurturant (N)	41.2	88	3.0	39.5	118	5.5	2.8

Source: Compiled from field survey

The mean values of authoritative participative, bureaucratic, task-oriented and nurturant styles are higher for Assistant Managers than judged by their subordinates. The authoritative and bureaucratic styles of the Assistant Managers' and as perceived by their immediate subordinates do not differ significantly as the 't' values of these styles are less than the critical value (A0.6, $P < 0.05$ and B1.445, $P < 0.05$). The participative, task-oriented and nurturant styles of the Assistant Managers' self judgment and as perceived by their immediate subordinates differ significantly as the 't' values of these styles are greater than the critical values (P6.430, $P > 0.05$; T6.015, $P > 0.05$ and N2.826, $P > 0.05$). Hence, the hypothesis "there is no significant difference in leadership styles of Assistant Managers as judged by the leader himself and as perceived by their subordinates" is rejected.

F. Leadership Styles of Engineers and as perceived by their subordinates, is shown in Table 16.

TABLE 16: LEADERSHIP STYLES OF ENGINEERS AND AS JUDGED BY THEIR SUBORDINATES

Sl. No.	Leadership Styles	Self judgment			Judged by their subordinates			't' value
		Mean	N	Standard Deviation	Mean	N	Standard Deviation	
1	Authoritative (A)	34.8	118	6.6	31.9	97	8.8	1.9
2	Participative (P)	39.3	118	6.3	35.5	97	7.3	3.9
3	Bureaucratic (B)	39.6	118	5.8	34.5	97	6.5	5.9
4	Task-oriented (T)	40.4	118	4.6	38.3	97	6.0	2.8
5	Nurturant (N)	42.1	118	3.7	37.9	97	7.1	5.2

Source: Compiled from field survey

The mean values of authoritative, participative, bureaucratic, task-oriented and nurturant styles are higher for Engineers than judged by their subordinates. The authoritative style of Engineers' and as perceived by their immediate subordinates do not differ significantly as the 't' values of these styles are less than the critical value (A1.848, $P < 0.05$). The participative, bureaucratic, task-oriented and nurturant styles of Engineers' and as perceived by their immediate subordinates differ significantly as the 't' values of these styles are greater than the critical values (P3.939, $P > 0.05$; B5.924, $P > 0.05$; T2.798, $P > 0.05$ and N5.177, $P > 0.05$). Hence, the hypothesis "there is no significant difference in leadership styles of Engineers as judged by the leader himself and as perceived by their subordinates" is rejected.

FINDINGS

The issues investigated in this analysis are: whether there are any differences among leadership styles at inter-levels of managers and also to find out the difference among leadership styles as judged by the leader himself and as perceived by his immediate subordinates. The following are the major findings of the analysis.

- In BEML, no significant difference is found among different leadership styles at various levels and its self-perception by Deputy General Managers, Assistant General Managers, Senior Managers, Managers and Assistant Managers.
- Leadership styles of Assistant Managers, Engineers, Assistant General Managers, Senior Managers differ significantly.
- A significant difference is found among different leadership styles as perceived by their subordinates of Deputy General Managers, Assistant General Managers, Managers, Assistant Managers and Engineers.
- No significant difference is found among different leadership styles as perceived by their subordinates at Senior Managers as well as Managers.
- A significant difference is found in leadership styles at Deputy General Managers, Assistant General Managers, Senior Managers, Managers, Assistant Managers and Engineers as judged by the leader himself and as judged by their immediate subordinates.

CONCLUSIONS

- The analysis of self perception in BEML revealed that at officers' level, the dominant style is nurturant, followed by task-oriented, participative, bureaucratic and authoritative styles.
- The analysis of subordinates' perception on superior styles, observed that at officers' level, the dominant style is 'nurturant', followed by 'task-oriented', 'bureaucratic', 'participative' and 'authoritative' styles.
- At officers' level, a significant difference is noticed in leadership styles as judged by the leader himself and as perceived by their subordinates.

SUGGESTIONS

Leadership is the most pervasive activity touching every facet of human existence. However, leadership is affected by innumerable variables creating an incomprehensive picture. Thus, it had become very difficult to adopt a particular concept, construct, and style. Nevertheless, ineffective leadership to the organisational context would definitely create an environment of poor relationships and lower turnover. Owing to these complexities, the major suggestion that can be made is that the knowledge and practice of leadership is to be taught preferably from lower levels of education. Irrespective of the sector, activity and operation, the leadership is to be strengthened, so as to achieve the desired results. However, there cannot be a uniform package of leadership that can be suggested to deal with all the organisational situations due to their wide variance. Therefore, the organizations should also create congenial environment, wherein the leader realizes his/her role and discharge responsibility to fulfill the individual as well as organisational goals.

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QUESTIONNAIRES

QUESTIONNAIRE I: SOCIO ECONOMIC AND ORGANISATIONAL POSITION VARIABLES

This schedule is designed to know about Socio Economic and Organisational Position variables of Leaders. Your responses will be kept confidential and individual identity will not be revealed.

1. IDENTIFICATION

- 1.1. Name: No compulsion to mention
- 1.2. Age :
- 1.3. Designation :
- 1.4. Experience (in years) : Present : Past : TOTAL
- 1.5. Educational qualifications:

QUESTIONNAIRE II: LEADER'S SELF PERCEPTION

Below are given some statements regarding the behaviour of a leader. Please judge to what extent they are true or false for you when you are in the leading role. Put a circle around one of the five responses against each statement.

QT – Quite True, T – True, D – Doubtful, F – False, QF – Quite False

- | | |
|--|-------------|
| 1. I maintain partnership in the group. | QT T D F QF |
| 2. I help my subordinates in their career planning. | QT T D F QF |
| 3. I keep crucial information to myself. | QT T D F QF |
| 4. I help my subordinates to grow up and assume responsibility. | QT T D F QF |
| 5. I explain to my subordinates what I expect from them and what they can expect from me. | QT T D F QF |
| 6. I make my subordinates feel free even to disagree with me. | QT T D F QF |
| 7. I believe that top boss makes major decisions & implements them. | QT T D F QF |
| 8. I provide all information to my subordinates and let them jointly find the solution of a problem. | QT T D F QF |
| 9. I behave as if power and prestige are necessary for getting compliance from the subordinates. | QT T D F QF |
| 10. I help my subordinates even in their family matters. | QT T D F QF |
| 11. I interact with my subordinates as if they are equal. | QT T D F QF |
| 12. I maintain fair but impersonal relationship in the group | QT T D F QF |
| 13. I go by the joint decisions of the group | QT T D F QF |
| 14. I take special care to get the work done with top priority. | QT T D F QF |
| 15. I treat all group members as my equals. | QT T D F QF |
| 16. I believe that most of the interpersonal troubles start because people try to be over friendly and informal on the job. | QT T D F QF |
| 17. I maintain high standard of performance. | QT T D F QF |
| 18. I believe that subordinates acquire sense of responsibility under the care and guidance of a good leader. | QT T D F QF |
| 19. I think that if clear-cut job descriptions are available, there will be less conflict in an organization. | QT T D F QF |
| 20. I expect my subordinates to increase their knowledge on the job. | QT T D F QF |
| 21. I believe that not all employees are capable of becoming officers openly show affection to those subordinates who work hard. | QT T D F QF |
| 22. I openly show affection to those subordinates who work hard. | QT T D F QF |
| 23. I take the decision quickly and I am confident of being right. | QT T D F QF |
| 24. I give as much responsibility as my subordinates can handle. | QT T D F QF |
| 25. I believe that one can really grow up by learning to do a job well. | QT T D F QF |
| 26. I consider seniority as a time-tested criterion for promotion. | QT T D F QF |
| 27. I see that subordinates work to their capacity. | QT T D F QF |
| 28. I always follow standard rules and regulations. | QT T D F QF |
| 29. I grant full freedom and autonomy to my subordinates so that they can work hard. | QT T D F QF |
| 30. I rule with an iron hand to get the work done. | QT T D F QF |
| 31. I want to have full power and control over my subordinates. | QT T D F QF |
| 32. I create a climate where members respect each other's individuality | QT T D F QF |
| 33. I believe that all of us have more or less equal potentialities. | QT T D F QF |
| 34. I drive myself very hard. | QT T D F QF |
| 35. I categorise my subordinates as good and bad. | QT T D F QF |

36. I help the subordinates in their needs as much as I can.	QT T D F QF
37. I give directions to my subordinates when it is necessary.	QT T D F QF
38. I favour that the area of responsibility should be clearly demarcated according to rank and positions.	QT T D F QF
39. I always keep track of the progress of the work.	QT T D F QF
40. I confine myself to my own jurisdiction.	QT T D F QF
41. I inform my subordinates how well they are doing their job.	QT T D F QF
42. I feel responsible for the well being of my subordinates.	QT T D F QF
43. I make it clear that personal loyalty is an important virtue.	QT T D F QF
44. I am a friendly type.	QT T D F QF
45. I never question the well established ways of doing things in this organization.	QT T D F QF
46. I try to have strict division of labour even in my own group.	QT T D F QF
47. I find time to listen to the personal problems of the subordinates.	QT T D F QF
48. I do not tolerate any interference from my subordinates.	QT T D F QF
49. I have affection for my subordinates.	QT T D F QF
50. I believe that if I am not alert all the time there are many people who may pull me down.	QT T D F QF

QUESTIONNAIRE III: SUBORDINATE'S PERCEPTION ON SUPERIOR STYLES

Below are given some statements regarding the behaviour of a leader. Please judge to what extent they are true or false. Put a circle around one of the five responses against each statement.

QT – Quite True, T – True, D – Doubtful, F – False, QF – Quite False

1. He maintains partnership in the group.	QT T D F QF
2. He helps us in our career planning.	QT T D F QF
3. He keeps crucial information to himself alone.	QT T D F QF
4. He helps us to grow up and assume responsibility.	QT T D F QF
5. He explains to us what he expects from us and what we can expect from him.	QT T D F QF
6. He makes us feel free even to disagree with him.	QT T D F QF
7. He believes that the top boss makes major decisions & implements them.	QT T D F QF
8. He provides all information to us and let us jointly find the solution of a problem.	QT T D F QF
9. He behaves as if power and prestige are necessary for getting compliance from us.	QT T D F QF
10. He helps us even in our family matters.	QT T D F QF
11. He interacts with us as if we are equal.	QT T D F QF
12. He maintains fair but impersonal relationship in the group	QT T D F QF
13. He goes by the joint decisions of the group	QT T D F QF
14. He takes special care to get the work done with top priority.	QT T D F QF
15. He treats all group members as his equals.	QT T D F QF
16. He believes that most of the interpersonal troubles start because people try to be over friendly and informal on the job.	QT T D F QF
17. He maintains high standard of performance.	QT T D F QF
18. He believes that we acquire sense of responsibility under the care and guidance of a good leader.	QT T D F QF
19. He thinks that if clear-cut job descriptions are available, there will be less conflict in an organization.	QT T D F QF
20. He expects from us to increase our knowledge on the job.	QT T D F QF
21. He believes that not all employees capable of becoming officers.	QT T D F QF
22. He openly show affection to those subordinates who work hard.	QT T D F QF
23. He take the decision quickly and he is confident of being right.	QT T D F QF
24. He gives as much responsibility as we can handle.	QT T D F QF
25. He believes that one can really grow up by learning to do a job well.	QT T D F QF
26. He considers seniority as a time-tested criterion for promotion.	QT T D F QF
27. He sees that we work to our capacity.	QT T D F QF
28. He always follows standard rules and regulations.	QT T D F QF
29. He grants full freedom & autonomy to us so that we can work hard.	QT T D F QF
30. He rules with an iron hand to get the work done.	QT T D F QF
31. He wants to have full power and control over us.	QT T D F QF
32. He creates a climate where members respect each other's individuality.	QT T D F QF
33. He believes that all of us have more or less equal potentialities.	QT T D F QF
34. He drives himself very hard.	QT T D F QF
35. He categorises us as good and bad.	QT T D F QF
36. He helps us in need as much as he can.	QT T D F QF
37. He gives directions to us when it is necessary.	QT T D F QF
38. He favours that the area of responsibility should be clearly demarcated according to rank and positions.	QT T D F QF
39. He always keep track of the progress of the work.	QT T D F QF
40. He confines himself to his own jurisdiction.	QT T D F QF
41. He informs us how well we are doing our job.	QT T D F QF
42. He feels responsible for the well being of us.	QT T D F QF
43. He makes it clear that personal loyalty is an important virtue.	QT T D F QF
44. He is a friendly type.	QT T D F QF
45. He never questions the well established ways of doing things in this organization.	QT T D F QF
46. He tries to have strict division of labour even in his own group.	QT T D F QF
47. He finds time to listen to our personal problems.	QT T D F QF
48. He does not tolerate any interference from us.	QT T D F QF
49. He has affection for us.	QT T D F QF
50. He believes that if he is not alert all the time there are many people who may pull me down.	QT T D F QF

A STUDY ON CONSUMER AWARENESS, USAGE PENETRATION AND ADOPTION OF 3G MOBILE SERVICES IN INDIA

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ABSTRACT

From August 2008, the Apple iPhone 3G is available in India on Airtel and Vodafone. This study focused on Moradabad's users' usage pattern, awareness and adoption of 3G mobile services amongst university students. A primary data collection tool (structured questionnaire) was administered and the results (n=76) indicate high (98%) saturation level in terms of usage, awareness and adoption of mobile phones compared to several countries. Most of the users are sensitive to price. It is found that prices of 3G mobiles influenced their purchasing power. The 3G mobile service usage rate was found to be low (8%) in comparison to other parts of the world. While their response towards its usage, ease of use and intention to use through survey was highly motivating, the respondents reported that they would be influenced by peer usage instead of TV and advertising. The study also found that security of 3G services and speed of the service was the dominating factors in the adoption of these services in India. TV, hoardings and friends were the dominating awareness media for 3G related information. The findings have future implications for the marketing strategy by the operators and security aspects of 3G mobile services in India. The paper also discusses the future direction of research.

KEYWORDS

Awareness, adoption, 3G mobile service, usage pattern.

INTRODUCTION

3G is an improvement of 2G services, is a family of standards for mobile telecommunications defined by the International Telecommunication Union. 3G services include wide-area wireless voice telephone, video calls, and wireless data, all in a mobile environment. It allows simultaneous use of speech and data services and higher data rates. 3G is defined to facilitate growth, increased bandwidth and support more diverse applications. These applications are mainly made possible due to the enhanced data rates as a result of the 2-8MBPS bandwidth availabilities.

Some of the applications are (1) Mobile TV (2) Video Conferencing (3) Tele-medicine (4) Location Based Services (5) Video on Demand. Many studies have investigated the user acceptance and success factor of mobile services in general, and 3G in particular. Despite the wide range of value added services provided by 3G, consumer usage of this technology remains low. According to the latest report released by Telecom Regulatory Authority of India (TRAI), India has 538.38 million Urban Subscribers while 267.74 million Rural subscribers. 3G services have already become popular in Japan, UK, Hong Kong, Australia, Sweden and Denmark etc. Countries such as South Korea, Taiwan and Indonesia, where mobile technology usage, in general, is higher than 70%, 3G technology users are below 30% Japan, being the exception, has a record high of 80% 3G users, out of the 84.1% of mobile users. However, there are no studies dealing with the awareness, adoption and usage of 3G mobile services in India.

The three mobile operators in the country introduced the 3G technology at present-MTNL and BSNL. MTNL is targeting four fold jumps in its 3G mobile subscriber base to 6 lakhs by March 2010 in Mumbai and Delhi. Also, BSNL launched 3G service on Feb.27 in 70 cities of India. Coverage of the networks are concentrated in the country's one largest region of western U.P. Moradabad. The recent introduction of 3G mobile services has motivated this study.

LITERATURE REVIEW

3G (Third Generation) is the latest wireless technology. It is also known as UMTS (Universal Mobile Telecommunications System), an improvement over 2G (Second Generation) providing wireless access to the data and information to the users from anywhere and anytime. It is the latest mobile technology. 3G cellular phones were first launched in Japan in October 2001. The literature on various aspects on 3G is scattered and sketchy. There has been research on current usage, adoption and factors that affect usage in various countries, while some authors have presented their views regarding the past generation services and future of 3G and its potential. With this background, this study was conducted. According to Carlsson Christer, Hyvönen Kaarina, Repo Petteri and Walden Pirkko [3], mobile phones encourage users to try out new services, but the adoption rate of them is nowhere close to SMS, which still reaches a much wider audience. Barnes J. Stuart [2] indicates on business-to-consumer markets, he examines how value is added in the stream of activities involved in providing m-commerce (mobile commerce) to the consumer. As such, it analyses the key players and technologies that form part of the m-commerce value chain, providing a foundation for future strategic analysis of the industry. He also provides predictions regarding the future of m-commerce.

According to C. Thavamani [6] they focused on the evolution of 3G technology, their impact on society and their importance and limitations. Dulyalak Phuangthong and Settapong Malisawan [9] aims to examine the factors affecting the user adoption in mobile learning on 3G mobile Internet technology in Thailand by using technology acceptance model (TAM).

Pagani [16] have also found user information technology acceptance literature, formulate a model of consumer adoption of third generation mobile multimedia services, validate it through a qualitative exploratory study comprising 24 focus groups in six markets, and empirically test the proposed model on the Italian market. They also show that the importance of determinants differs by age groups or segments. G. Robert suggest that the potential for audio and video services streamed to mobile handset from the perspective of consumer behaviour. The author argues that consumer choice rather than technology or supply side activities will determine the success of the services and that demand for mobile broadcasting services will come primarily from consumers who are currently using mobile audio and video services with other technologies. The author argues that increased attention needs to be placed on pressing issues as mobile communications capabilities increase and that a wide range of factors will influence consumer demand for mobile services.

Dr. Singh Sudha, Dr. Singh D. K, Dr. Singh M. K. and Kumar Singh Sujeet [7] focused and examined the factors affecting the adoption of 3G services among Indian people. The study adopts the revised Technology Acceptance Model by adding five antecedents-perceived risks, cost of adoption, perceived service quality, subjective norms, and perceived lack of knowledge. They showed that perceived usefulness has the most significant influence on attitude towards using 3G services. Of the five antecedents, perceived risk and cost of adoption are found to be significantly influencing attitude towards use.

While Kuo and Yu [14] from a study in Taiwan propose that 3G telecom operators not only have to serve as network system and spectrum provider, but also have to develop into a "service-focused" instead of "Technique-focused". Further, 3G telecom operators should place their focus on "creating" 3G services

instead of "enhancing" already existing 2G or 2.5G services. Some operators are provided with 2G and 2.5 G services on a 3G network system, so the consumers are unable to take full benefits and convenience brought by the 3G system. Although the main highlight of 3G services are high speed data transmission, entertainment and e-payment in developing countries in Asia, Africa or even some parts of US suffer from lack of infrastructure to support these objectives. Income affordability, mobile network coverage, high subscription charges and telecommunication infrastructure to support all these activities classified with regard to findings is difficult for developing or even some developed countries in the world [6].

PURPOSE OF THIS STUDY AND METHODOLOGY

Literature suggests that there is great deal of research on adoption of mobile phones and mobile related services. This ranges from mobile Internet services [18], mobile device features and services [1], mobile value added services [22], usage of mobile applications [13, and 12] and mobile data service usage [14]. Although, some mobile services such as SMS, ring tones, internet have been adopted on a large scale or at least have been tried by a majority of users [4], advanced services such as MMS, Mobile TV, Video conferencing etc. have not yet found ways into the everyday lives of consumers. A growing field of research supports that cultural background influences the adoption of technology [19, and 8]. Abu [20] advises that future studies are required to perform a quantitative analysis on which technological innovations and policies are valid, considering the country's unique characteristics of geographical coverage, population, topography, and income level. However, there are few studies in India where per capita income as well as mobile penetration is very high. This study aimed at assessing the awareness and usage (penetration rate) and adoption of new 3G mobile services, perceived ease of use, perceived usefulness, behavioral intention to use, social influence, attitude towards 3G mobile services in India. A structured questionnaire was designed to collect data from Moradabad region. The reason for taking this region is that it covers whole western U.P..

DATA COLLECTION AND ANALYSIS

115 students of BTech participated in the study, by completing the questionnaire. 76 questionnaires were found valid. The reason for selecting students was that more than 90% of the students have a good financial status. Therefore, every student was able to afford a cell phone. 58% respondents were female and more than 70% of them were in the age group of 18-22 years, which was the target age. Further 99% of the respondents were using mobile phones; this indicates saturation level in penetration of usage of mobile phone. It is possible that some of them were subscribers of more than one telecom operator. Regardless of the high level of mobile penetration, only 48% of the respondents were aware of 3G mobile services in India. Out of the 48%, 8% of the respondents were using 3G mobile services. This was relatively low as compared to other countries. Further comparison is made in the discussion section. Data revealed that less than 50% (43%) respondents were willing to change to 3G mobile handsets, suggesting low potential for growth in 3G mobile services in the Indian market.

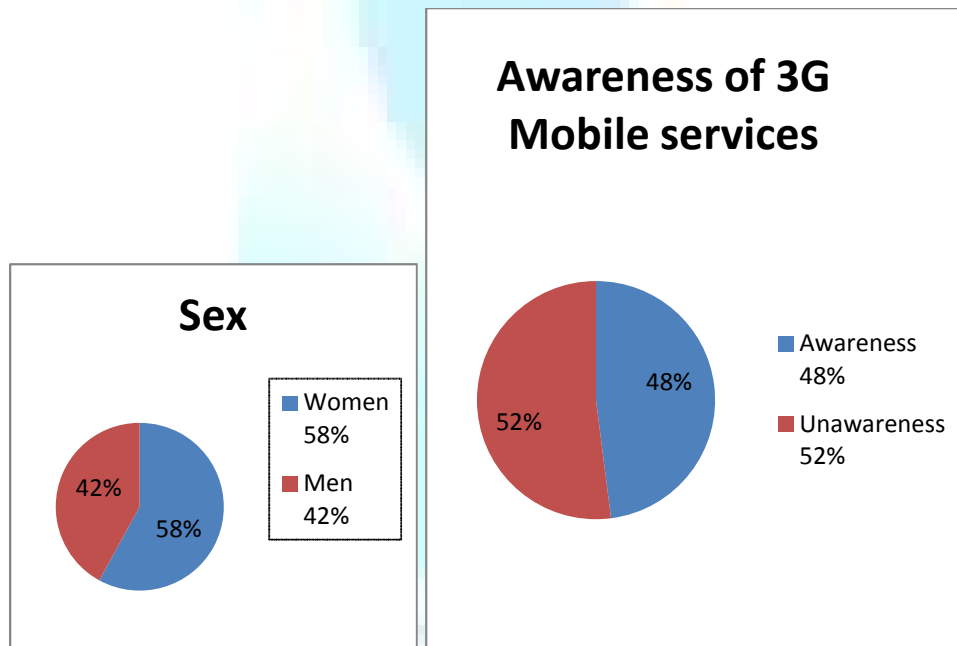


Table I indicates that the most used service was that of SMS (62%), followed by 32% of respondents using offline services, such as calendar, calculator, offline games. Internet usage and downloading, listening of ringtones is used by over 30% and 19% respectively of respondents. Watching/downloading movie /video and games were occasionally used by 19% of respondents, 15% respondents occasionally play/download music while less than 5% of the same using mobile e-mail. Over 45% of the respondents have never used the MMS service. Also the service with highest unawareness rate was MMS.

The data in Table II confirms the low usage of 3G mobile services as found earlier. It is worth noting that majority of respondents had never used the 3G mobile service (above 50%).

It is evident from the table III that security of the system was extremely important, followed by speed of data transfer and usefulness of the service. Surprisingly, price was not the dominating factor as only 21% of the respondents found it extremely useful

TABLE I: CURRENT USAGE OF VARIOUS FACILITIES BY RESPONDENTS

Existing Mobile Services	I don't know the service	I never used the service	Occasionally	up to 5 times per month	6-20 times per month	over 20 times per month
Short Message Service (SMS)	1%	5%	18%	9%	12%	62%
MMS(Multimedia Message Service)	9%	45%	5%	5%	1%	3%
Mobile e-mail	7%	36%	17%	2%	4%	5%
Ring tones	2%	18%	23%	15%	3%	19%
Listening/downloading music	3%	12%	15%	5%	10%	12%
Watching/downloading movie/video	6%	18%	17%	6%	8%	18%
Playing/downloading online games	3%	34%	19%	8%	5%	15%
Internet	2%	12%	24%	5%	8%	30%
Offline Services (i.e., calendar calculator, offline games, etc)	2%	7%	17%	13%	12%	32%

BAR CHART OF CURRENT USAGE OF VARIOUS FACILITIES

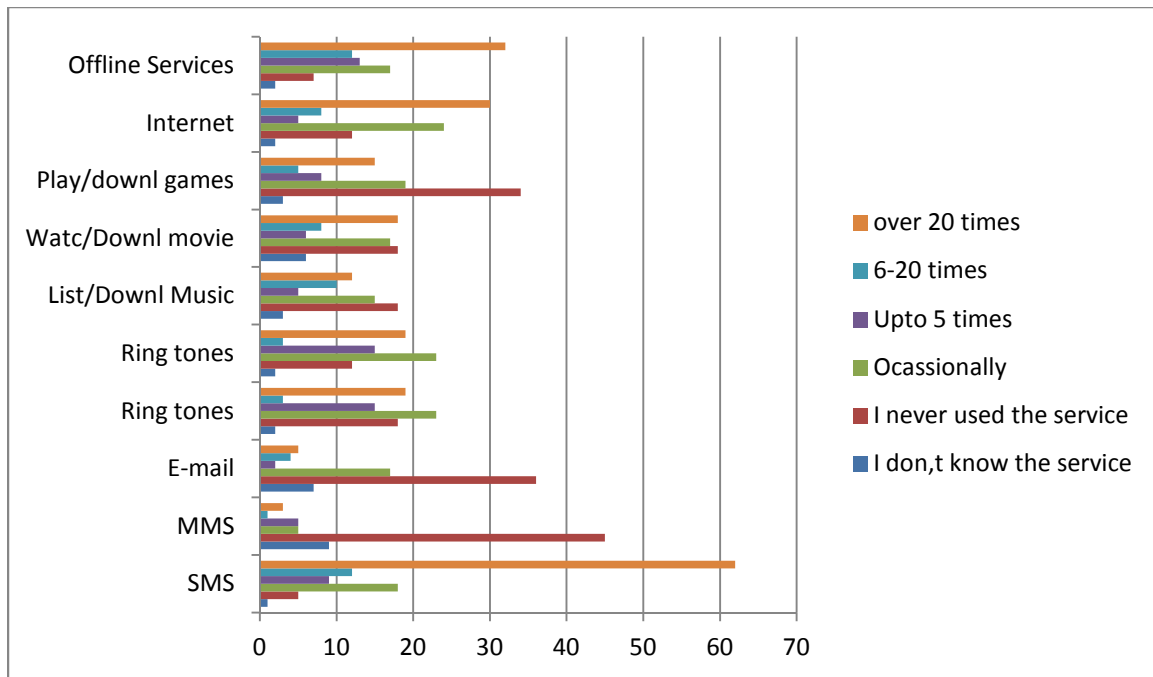


TABLE II: USAGE OF 3G MOBILE SERVICES

Usage of new mobile services	I don't know the service	I never used the service	Occasionally Used	Used upto 5 times per month	Used 6-20 times per month	Used over 20 times per month
Mobile TV	11%	43%	8%	4%	2%	2%
Video calls	9%	43%	7%	6%	2%	1%
Wireless voice telephony	13%	41%	6%	2%	0%	3%
Multimedia instant messaging	10%	41%	8%	4%	2%	1%

CHART OF USAGE OF 3G MOBILE SERVICES

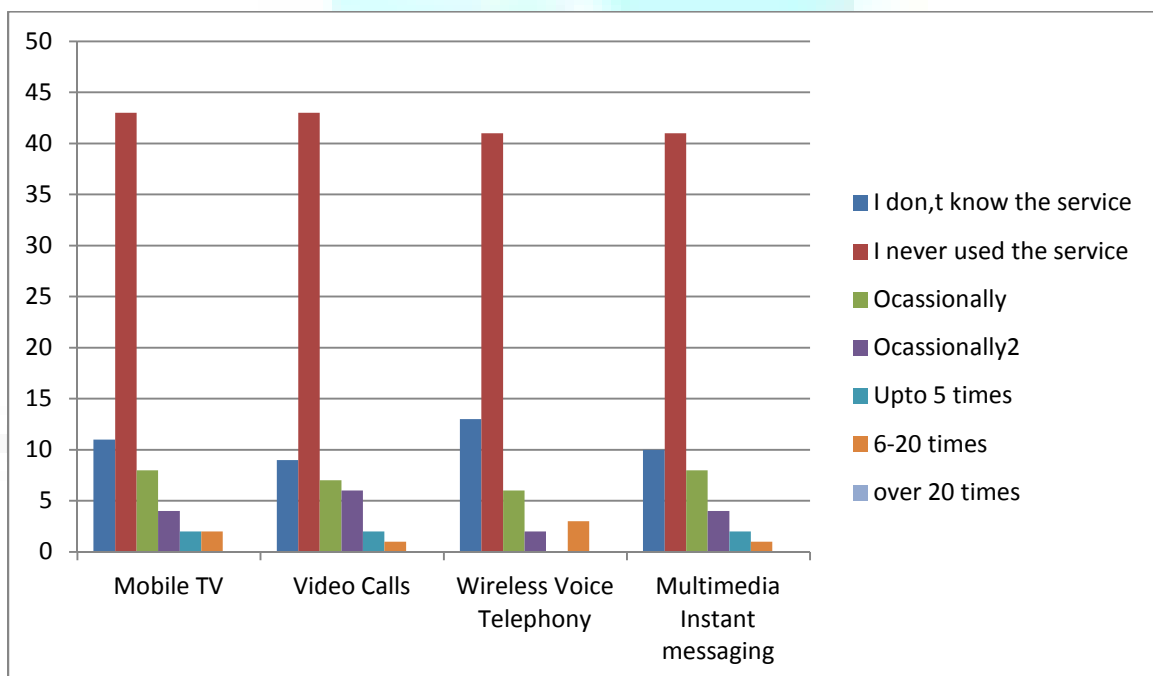


TABLE III: FACTORS IN THE USAGE OF 3G SERVICES

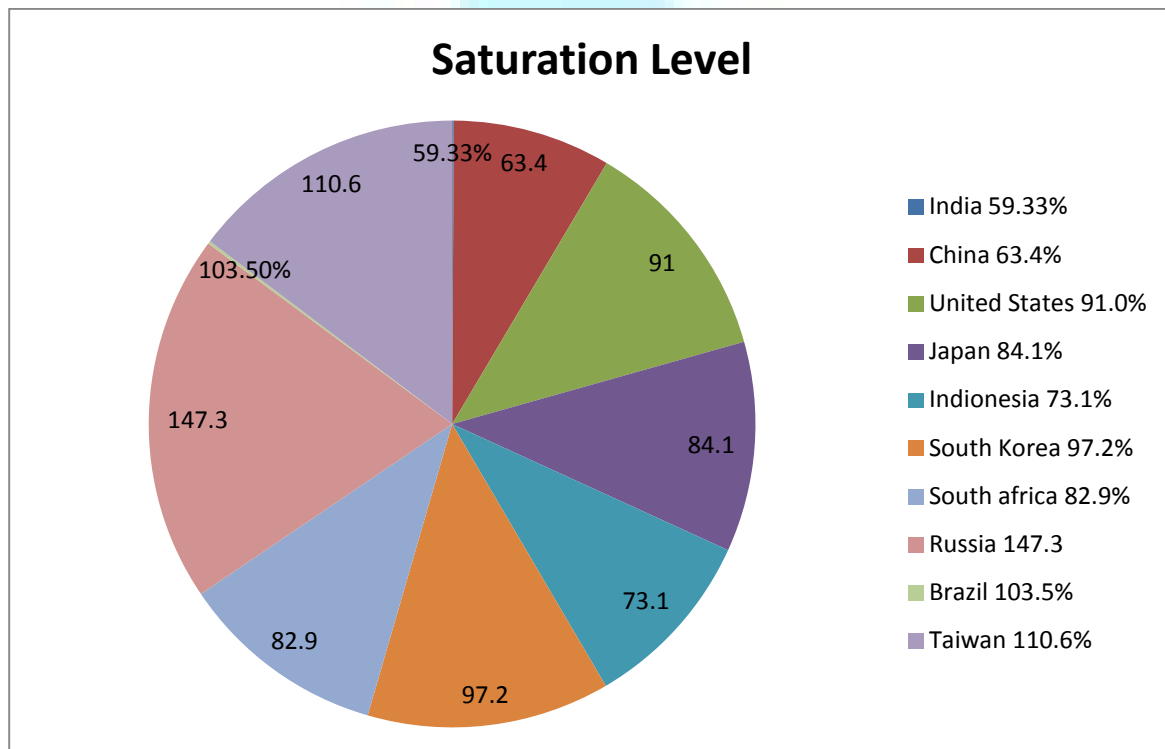
How important are the following factors for using new 3G mobile services?	Extremely important	Very important	Important	Neither important nor Unimportant	Unimportant
Price	21%	12%	26%	25%	6%
speed of data connection/transfer	55%	19%	10%	8%	1%
screen size of the mobile device	26%	21%	15%	7%	2%
complexity involved	14%	9%	29%	16%	2%
Security	65%	26%	18%	5%	3%
usefulness of the service	51%	13%	17%	14%	3%

Given the low rate of usage of 3G Internet services in India, the data was further analyzed for Perceived Usefulness of 3G services, Perceived ease of Use and Attitude toward usage. The findings are that, although, the mobile usage was moderate (45%) but the respondent's perception towards its usage, ease of use and intention to use were highly motivating. More than 50% felt that 3G can enhance effectiveness and productivity, while 51% agreed that the 3G mobile service were easy to use. 50% of respondents are in the favor and willing towards the usage of mobile services, But the main matter for the the respondents were price ,most of them are not ready to buy expensive 3G mobile phones. From our earlier findings ,security being rated higher than speed, Speed and the network is another factot that is extremely important . Two most important Medias for getting awareness on the 3G mobile services was found to be TV ,newspaper and friends. The respondents reported that they will be highly influenced by peer usage.

DISCUSSION

The study revealed almost saturation of 3G mobile phone usage (59.33%) in the respondents. This subscription rate is much lower than many countries, for example China (63.4%), United States (91.0%), Japan (84.1%), Indonesia (73.1%), South Korea (97.2%), and South Africa (82.9%). However, it is much lower than countries like Russia (147.3%), Brazil (103.5%), and Taiwan (110.6%).

SATURATION LEVEL AMONG COUNTRIES



Given the high population of India, the 59.33% saturation of 3G mobile phone seems to be lower in this country. Future study on the factors affecting saturation rate in India can be done. Although the study found high 95% awareness of 3G, low usage (20%) of 3G mobile services was also concluded. 3G usage in India is lower compared to Japan (80%), Taiwan (28.5%), South Korea (14%) while comparable to Europe (11%) and Indonesia (8.2%). The high cost of 3G services in India could also support low usage. Another reason for low usage rate of 3G services in India could be that most of the users studied are not spending time in commutation and most of them not known how to use that services compared to other bigger countries and hence do not feel the need of the facilities provided by 3G which is 'anytime' and 'anywhere' connectivity. Various researchers have suggested ways to improve the low usage of 3G mobile services and factors that affect such usage. For example Kuo and Yu [21] suggest that 3G telecommunication operators face huge challenges on their way to success and they can only survive if only they develop into "service -focused" instead of "technique-focused" business models. Future studies could be taken in India telecommunication market to find suitable strategies for fast diffusion of 3G mobile services. The finding, that of the SMS being the only service adopted by majority of India's mobile users, is in line with other studies.

MMS usage remains low in India's market. Though European market has also not adopted multimedia messaging to large extent, due to various reasons such as pricing policy and relatively complex usage but Asians have eagerly adopted this service [15]. In relation to security, being the highest concern factor for usage in India, finding of Bohlin, et al [10] suggest that phones need to be turned into secure communication devices to enable them to be used for authentication and avoid risks to privacy. Accordingly, the operators in India would have to consider this aspect. Literature suggests that pricing of the 3G services is one of the biggest challenges facing telecommunication companies[11] [5] but this study reveals that for India's subscribers price is not one of the main criteria for choosing this technology.

LIMITATIONS OF THE STUDY

Students of BTesch residing in the city region were used as the sample and therefore, the results needs to be tested on larger group comprising of respondents from all other areas and cities.

CONCLUSION AND FUTURE RESEARCH

The study reveals insights into the usage and adoption of 3G mobile services in India. It compared with others markets and conclude that the subscription rate is much lower than many countries .

The highest concern factor for the users of 3G in India is Security(65%), the follow up studies could examine this factor to investigate the context (for example intrusion, collection or transfer of personal information, security features of the phone etc.) that is relevant for these users. Further studies should concentrate on country specific characteristics or culture specific characteristics to explain the adoption of 3G in India. In addition, the current and future prospects of individual services like mobile Commerce, mobile Internet, mobile advertising etc should be examined in depth in light of 3G. However, 3G technology poses a challenge for the operators who have to develop innovative business models for increasing subscribers of 3G. From business point of view, telecommunication policies for exploitation of cost and performance of 3G networks need to be addressed.

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THE IMPACT OF WORKPLACE STRESS ON HEALTH: THE MEDIATING ROLE OF SPIRITUALITY IN THE WORKPLACE

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ABSTRACT

Health care expenditures are nearly 50% greater for workers who report high levels of stress. One-fourth of employees views their jobs as the number one stressor in their lives. Stress sets off an alarm in the brain, which responds by preparing the body for defensive action. The nervous system is aroused and hormones are released to sharpen the sense. Mood and sleep disturbance, upset stomach and headache are some of the ailments caused because of job stress. The above paper focuses on a "CASE STUDY" of how stress plays an important role in several types of chronic health problems, supporting the studies that problems at work are more strongly associated with health complaints than are any other life stressors -more so than even financial problems or family problems. Corporate have found that bringing spirituality in work place has made them feel better in order to tackle the mounting pressure and stress.

KEYWORDS

workplace stress, spirituality in the workplace, health care.

INTRODUCTION

Job dimensions such as hazardous situations, work vigilance and responsibility are associated with cardiovascular disease (Murphy, 1991); whereas ambiguity or conflicts in one's role at work and level of responsibility have all been linked to mental or physical stress levels (Saute and Murphy, 1995). Correlations between life stress and illness have been very modest (typically below; Rabbkin & Struening 1976). But there is lack of consensus on the definition of different types of stressors, such as daily hassles, chronic stressors, stressful life events, and acute stressors (Hahn & Smith, 1999). Health care expenditure is nearly 50% greater for workers who report high levels of stress (Goetzel et.al., 1998). A number of studies have been conducted over a period of time to identify the various coping strategies employees use to manage their workplace stress. Changing to non-work activity, compartmentalize work and non-work-life and physical exercise are some of techniques for handling stress. (Howdard et al. 1975).

The present study is designed to explore the interrelationships between stress and health and to evaluate predictors of psychological distress through a CASE STUDY Analysis.

CASE: STRESS IN TODAY'S WORKPLACE

The longer he waited, the more David worried (name changed). For months he had been plagued by aching muscles, loss of appetite, restless sleep, upset stomach and a complete sense of exhaustion. At first he tried to ignore these problems, but eventually started developing acute pain in stomach when his wife insisted that he gets checked up. The health diagnosis on various parameters did not show much of discrepancies.

David is very hard-working, straight forward and believed in personal values and ethics. He joined at an age of 30, as an executive with the excise department, at Chennai. Within few weeks of his appointment he realized that corruption appeared to be recurring feature of organizational life. Bribes were received by most of his colleagues who eventually were forcing him to be one among the group.

David always wanted to keep his hands clean. Some of his colleagues even went to the extent of calling him by names and branding him as a "fool" who did not know how to make money when an opportunity was given. On the other hand there were David's relatives and friends who misunderstood him and taught he was enjoying with the "additional income". Torn between the two extremes of his personal values, ethics and demands of materialistic values, David was at crossroads. It led to the feeling of alienation, inadequacy and powerlessness. Mounting peer pressure and daunting thoughts started deteriorating his health. He had to pay for being a perfectionist. Soon, he approached a Yoga centre for help and started practicing Yoga and Meditation, which has profound effect on stress. At any cost he wanted to act in accord with "dharma" which translates in one way into ethics and responsibility. Within few months he got himself transferred to another section of that organization, which was free from "acute job conditions" and stress.

Source: Yoga Raksanam, Yoga and Research Centre, Chennai.

METHODOLOGY

The data was collected by Interview technique, to understand the intricacies of stress on health of individuals. An attempt was made to find out the role of Yoga as stress combating technique. Scheduled Interview was conducted with the Yoga trainer of Yoga Raksanam- Yoga Training Center at Chennai. It was followed by analyzing the various cases sheets of Yoga trainee members at the Training Centre. A total of 76 Trainees' case sheets were selected who were suffering from certain ailments. Out of which 12 cases were chosen who reported ailments due to stress. All the 12 cases were thoroughly studied to ascertain the reasons for stress. There was one case which reported stress due to organizational factors. This particular trainee enrolled himself for Yoga therapy for treating his health issues that aroused from organizational stress. Since the case well matched with the objective of the study, it was included for the case study analysis and case is herewith presented.

DISCUSSIONS

JOB DIMENSIONS AND STRESS

Researchers in job stress have long been interested in delineating the job and organizational attributes that characterize healthy or low stress work environments. But increasingly, attention has shifted towards organizational or contextual factors in diagnosing and remedying the causes of stress with organization (e.g., Cartwright, Cooper & Murphy, 1995; Cooper & Cartwright, 1994; Lindstrom, 1994; Peterson & Wilson, 2002; Sparks et al., 2001).

While its definition has long been debated, stress can generally be defined as an aversive or unpleasant emotional and physiological state resulting from adverse work experiences, particularly experiences that are uncertain or outside the employee's control (Beehr & Bhagat, 1985; Har & Copper, 2001). The work experiences that give rise to stress are often referred to as stressors, while the effects of stressors are strain (Hart & Cooper, 2001; Kahn & Byosiere, 1992). Past research has examined several different kinds of stressors, including aspects of the employee's role, particular job demands and characteristics and facets of the physical work environment (Hart & Cooper, 2001; Kahn & Byosiere, 1992). Marshall & Cooper's (1979) model of work stressors included relationships with superiors and a lack of social support, while Howard (1980) studied various stressors including problems concerning personal shortcomings and the price paid for being a perfectionist. The Job conditions that may lead to stress include the Design of task, management style, interpersonal relationship, work role, career concerns, and environmental conditions.

The above case study throws light on twin factors namely peer group pressure and personal values of an employee. These stressors seem to be capturing, in the part, the interpersonal and work role facets of job dimensions. Personal values refer to a conception of what an individual or group regards as desirable (Guth & Tagipuri, 1965). A value is a view of life and judgment of what is desirable that is very much part of a person's personality and a group's morale (Christensen et al; 1982). A typical dilemma faced by managers is to somehow reconcile the pragmatic demands of work (which often degenerate to distortion of values and unethical business practices) to the call of the "inner voice" which somehow prevents them from using unethical means for achieving the organizational goals. This dilemma stems from the fact that apparently the value system of the organization has been contaminated beyond redemption (Kazmi, 1992). India being the biggest democracy, the second-largest in terms of population, being tagged as the ninth ranking, most corrupt nation of the world. Corruption unfortunately appears to be a recurring feature of organizational life, doing enormous damage to lives of individuals and the well-being of organization.

WORKPLACE STRESS AND HEALTH

Stress sets off an alarm in the brain and it produces high levels of two specific hormones- adrenalin and cortisol-produced by the hypothalamus. These hormones are manufactured in response to an impending threat or danger to the body or mind. Release of these two hormones gives the body a temporary increase of strength and energy, when is then considered to be general stress response syndrome.

Symptoms characteristic of prolonged exposure to stress include headache, high blood pressure, weakening of bones, general immune deficiency and muscle tension (Rabbkin & Struening, 1976). Deterioration of the body's immune system leads to other serious medical conditions such as asthma, ulcers, hypertension and heart failures, eating disorders, as well as the abuse of drugs or alcohol, which are used as common coping mechanisms (Sauter S, Hurrell J, Murphy L. Levil 1997). Kahn and Byosiere (1992) identified the frequently used indexes of strain include variables such as general depression, anxiety and tension. Health care expenditure is nearly 50% greater for workers who report high levels of stress. Studies show that stressful working conditions are actually associated with increased absenteeism, tardiness and intensions by workers to quit their jobs-all of which has a negative effect on the bottom line.

In the above case study David's story is unfortunate but not unusual. Job stress has become a common and costly problem at workplace, leaving few workers untouched. Short-lived or infrequent episodes of stress pose little risk. But when stressful situations go unresolved, the body is kept in a constant state of activation, which increases the rate of wear and tear to biological systems. Ultimately, fatigue or damage results, and the ability of the body to repair and defend itself can become seriously compromised. As a result, the risk of injury or disease escalates.

PREVENTING STRESS AT WORKPLACE

At the psychological level, it is one's awareness that it is merely the perception of a threat and not the threat itself that triggers the stress response. In other words, two individuals can have entirely different reactions to the same stress evoking situations. This viewpoint leads to prevention strategies that focus on workers and ways to help them cope with demanding job conditions. Modern medicine alone cannot deal with the original causes of stress nor can it eliminate all its symptoms. At the mind and body level Yoga is found a profound effect on stress. Spirituality has always been in existence in the corporate world; however, it is only in the recent years that it has assumed more importance. "The desire for spirituality in the workplace is a natural extension of current tendency of adults to use spirituality to get through the challenges of their everyday life". (Christine Raymond).

WHY SPIRITUALITY AT WORK PLACE?

Increasing stress levels in corporate results in the creation of negative energy within individuals, which leads to unproductive inter-personal transactions. Corporate have found that bringing spirituality into workplace has made them feel better. Marico Industries has been conducting group meditation sessions everyday at its factory at a convenient time where almost everybody can participate. The practice of transcendental meditation has enhanced the ability to handle pressure and stress, says VS Vasan, head of manufacturing at Marico Industries. A study reported in the Journal of Psychosomatic Medicine indicated that "Individuals practicing transcendental meditation (TM) had 87% less hospitalization for heart diseases than the norm. In addition, people over 40 years of age, had 74% fewer doctors visits. A Tata Institute of Social Sciences (TISS) study on 1,000 senior executives in 25 companies who had participated in the Art of Living program mentioned that 88% of the respondents said that they could handle stress better and deal with negative emotions, while 51% felt that the program enhanced their performance. A study done at All India Institute of Medical Sciences (AIIMS) showed that regular practice of "Sudarshan Kriya and Pranayama", resulted in an increased "flow of positive emotions, replacing anger, frustration and jealousy". More than 120 companies in India have taken up Maharishi Mahesh Yogi's TM courses. These companies include ACC, Airtel, Bank of America, BHEL, BPL, ESPN Star sports, GE capital, HP, Oberoi Hotels and TVS Motor Company to name a few.

Spirituality at workplace is not about religion or caste but involves a set of insights, beliefs, attitudes, disciplines and a code of conduct. Indian traditional wisdom offers a slew of practices to bring spirituality to the workplace. Meditation, altruistic work, pranayama and yoga are some of them. Meditation relaxes the body, calms the mind and releases alpha waves that produce serotonin. Serotonin is an important neurotransmitter and neuropeptide that influences a person's mood and behavior in different ways. The practice of meditation also activates the pre-frontal cortex of the brain, creating a profound feeling of wellness and inspiration.

CONCLUSION

Workplace Stress poses a threat to the health of the workers and in turn, to the health of organization which results from the interaction of the worker and the conditions of work. With pressure, mounting to unseen heights, organizations need to come up with more flexible and more enlightened plans of management. Spirituality in the workplace is the call of the hour.

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EMPLOYMENT TO WOMEN IN INDIAN BEEDI INDUSTRY AN OPPORTUNITY OR THREAT: A CASE STUDY OF NIZAMABAD DISTRICT

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ABSTRACT

Beedi Industry is an agro-forest based, labour intensive industry characterized by low fixed capital requirements, high wage sensitivity and a strong tendency to shift towards cheap labour. This industry encompasses workforce involved in the collection and processing of the two main raw material, tendu leaves and tobacco. There are various estimates which indicate different situation on the number of workers involved in this industry according to Ministry of Labour estimate 41 lakhs or 4.1 millions are involved of these 90% workers are womens therefore, it is regarded as womens based industry. The Beedi Industry is spread across the country. Most of the beedi making work is carried out under the contractual, home based, piece rate system. Women and children predominate, employed for their proficiency, yet ironically paid lower wages and subject to various exploitation practices, such as rejection of beedies, issue of underweight of raw material, inferior quality of raw material, non-implementation of various legislations some of which exclusively related to women workers. The objective of this paper is to explain the background of the beedi industry, predominance of women in this sector as basic operational level workers, living conditions of beedi workers especially Womens, Health Hazards in the Beedi Industry, various Legislative Provisions, Unionization, Scope of the paper is to discuss the issues related to women workers in the Beedi Industry and to find findings and offer suggestions on the Employment of Womens in Beedi Industry

KEYWORDS

Women Workers, Unorganized Sector, Exploitation Practices and Diversification of Work.

INTRTODUCTION

BEEDI INDUSTRY

Bidi or Beedies are slim, hand-rolled, unfiltered cigarettes. They are also called "beeris" in countries such as Bangladesh. A beedi consists of about 0.2 gram of sun-dried and processed tobacco flakes, rolled in a tendu leaf (*Diospyros elanoxylon*) or tamburni leaf and held together by a cotton thread. The tobacco rolled in beedies is different from that used in cigarettes and is referred to as beedi tobacco. Dark and sun-dried tobacco varieties are used in beedi production. Beedies are available branded and unbranded.

The tendu leaf constitutes 60% of the weight of the beedi. The beedi is four to eight cm in length. The diameter at the closed end is 0.6-0.8cm and the width at smoking end is 0.7-0.9cm. The relatively low combustibility and non-porous nature of the tendu leaves requires more frequent and deeper puffs by the smoker to keep beedis lit, and is therefore harder on the smoker's lungs than cigarettes rolled in paper. Tar levels delivered by beedis are high, at 45-50 mg/beedi. One study found that beedies produced approximately three times the amount of carbon monoxide and nicotine and approximately five times the amount of tar as cigarettes. In India, a beedi costs as little as 20-30 Paise and bundle of 25 beedies costs Rs.6-8, thus beedis are known as the "poor man's cigarettes" as they are smaller and cheaper than cigarettes.

Tribal people of ancient India used to smoke tobacco in a pipe made from leaves of trees, from where the practice of wrapping tobacco in a leaf probably originated. Beedi smoking was mentioned as early as 1711. The description referred to a product the size of the little finger, containing a small quality of tobacco wrapped in the leaf of a tree and sold in bundles. Beedis first appeared along the east coast of India in the early part of the eighteen century and were sold in bundles of 20 to 30 beedis

In India, the beedi industry is regarded as being in the 'unorganized' sector. The term 'unorganized' is used particularly in India, and has no formal definition. It is a commonly used in two different contexts firstly to describe the system of industrial production, and is similar to the definition of enterprises in the informal sector. The Central Statistical Organization separates each major sector into 'organized' and 'unorganized' for purposes of calculation of value added. In that sense, it has a statistical rather than a conceptual usage. However, the term more or less concludes with the definition of the informal sector proposed by the 15th International Conference of Labour Statistics.

In the beedi industry, a large number of unregistered and home-based enterprises coexist with factory-based manufacturing enterprises. A complete census or a comprehensive nationwide database capturing important statistics of registered and unregistered enterprises is not available. The only available database is partial and fragmented, which makes it difficult to construct a time series on production and employment in this industry encompassing all types of enterprises. However, the conditions of work in the beedi industry raise serious concerns about unethical labour practices which run contrary to the spirit of the Declaration on Fundamental Principles and Rights, at Work- a declaration adopted by the International Labour Conference in June 1998. The Declaration calls on ILO member States to respect and promote freedom of association and collective bargaining, the abolition of all forms of forced or compulsory labour, the effective abolition of child labour, and the elimination of all forms of discrimination in respect of employment and occupation. Isolated case studies and media reports indicate that the Beedi Industry employs a large number of women and children in inhospitable and exploitative conditions. Labour laws are grossly flouted. The worker's living conditions are also poor. The industry therefore presents a typical case where concerned social action on the part of the government, workers, employers, civil societies and international organizations is needed to promote and realize the goal of decent work.

Another concern, which has been voiced frequently in the media, by the beedi associations and the trade unions, relates to the future prospects of the beedi industry. Fears have been expressed regarding uncertainties facing this industry due to competition with the cigarette industry and likely impact on the beedi market of tobacco-free initiatives and anti-tobacco legislation. Competition with cigarettes is likely to be fierce when restrictions on import of cigarettes into India are withdrawn, in compliance with World Trade Organization obligations. Any threat to this industry, if real, has very serious implications in terms of loss of income and craning opportunities for millions of poor unskilled workers consisting of women and children in overwhelming proportions. These workers, with hardly any savings or asset base no insurance coverage, would be thrown into destitution.

BEEDI INDUSTRY IN NIZAMABAD

Andhra Pradesh is the largest beedi producer after Madhya Pradesh. It has 6, 25,000 beedi workers (1995) of whom most are in the Telangana region. Out of these, about 4, 27,000 are in the Nizamabad district alone (EPF records). Beedi manufacturing in Nizamabad started in 1901. Manufacturers like Bandi Laxami Bai Beedi Factory, Shamal Gangaram Beedi, Lalappa Narayana and Tara Sahab all started manufacturing beedies here in the 1920s. However, the total strength of labour of these factories did not exceed 2, 00,000. Prior to 1947, two manufacturers from Gujarat, M/S. Kishan Lal Ram Swaroop and Shah Himmat Lal set up production but their output was also very meagre. Still later, two manufacturers Char Bhai Beedi, Saiyed Lal Beedi and Police Mallaiah Beedi also started production in the district. After 1952, many came from Gujrat as well as from Maharastra. Heera Lal Prabhu Ram (Gujrat), Sable Wagire (Sambaji Beedi) and Thakur Savrkar (Langar Beedi) all started production in 1952. Desai Brothers then entered in to the fray in 1953 and even today it is the largest beedi producer here. Since then, every year one or two manufacturers have been setting up business in the area, and within a decade beedi rolling became one of the main occupations after agriculture. In Nizamabad 90% of the Employers are from Maharastra and Gujarat, and they said that they preferred Nizamabad, partly

because labour laws were enforced much less strictly than in their home states, and partly because workers were so disciplined here. Beedi rolling is still a major occupation here and the survey revealed that there had not been any decrease in the number of workers.

IMPORTANCE OF THE STUDY

The study assumes significance because on one hand women are getting highly educated and getting employment in various good employments on the other hand women are illiterates or semi-literates who have no other means of work except beedi work and social sanction do not permit them to aspire and grow like other women. Beedi industry is male dominated in terms of power and administration even though 90% workers are women and it increases the chances of exploitation of women workers at various stages which is another significance of the study.

SCOPE OF THE STUDY

Present study is carried in the Nizamabad district of Andhra Pradesh in which problems of women beedi workers are discussed taking into overall view of beedi industry prevailing in India. As nature, cause and effect of problems are common in every place of beedi works therefore a conclusion can be drawn from present the study which is concentrated in Nizamabad district, this district has highest beedi workers and beedi establishments in Andhra Pradesh and second largest in India.

OBJECTIVES OF THE STUDY

Objectives of the present are as follows

1. To study the origin, growth of beedi industry in India and in Nizamabad district.
2. To study the employment of women in the beedi industry, various rules and regulations relating to them and their implementation.
3. To find the nature, cause and effect of various exploitation practices prevailing in the beedi industry in respect of women workers.
4. To suggest the suggestions for eradication of problems relating to women beedi workers for their betterment and find the possibility of diversification of employment.

V-RESEARCH METHODOLOGY AND DATA COLLECTION OF THE STUDY

The technique of random sampling is used in which sample size is 150, which is selected from the home based and factory based beedi rollers because women are around 90% employed in beedi rolling to collect the primary data for which questionnaire was prepared for them and to other related people in the beedi industry. Secondary data is collected through official records government notifications, books, journals, net search, previous research works done in this area etc. relating to beedi industry and women workers in beedi industry.

FINDINGS OF THE STUDY

- Beedi Industry work is totally occupied by the presence of women workers, in other words this industry runs due to the involvement of women at basic operational level i.e. 90% women are engaged
- Women from backward castes, SCs, Muslims and illiterates are involved at large number this makes them for low bargaining power and less aware of various provisions for them which causes for their exploitation at various stages.
- As Administration work is totally dominated by the male therefore, there is a high possibility of exploitation of women beedi workers at various stages such as underweight, inferior quality of raw material and deliberate rejection of rolled beedies and other evil practices result in low socio-economic profile of beedi workers
- Beedi rolling work is done mostly by contracting and sub-contracting systems therefore, it is difficult to establish employer and employee relationship, which will cause for non-implementation of various schemes, provisions and regulations established by the government for women beedi workers. It need to be properly checked and implemented
- Health provisions, Hospitals, Medical facilities are very much less and are not availed by the workers due fear of loss of working hours
- In Nizamabad some women engage in beedi rolling as full-time occupation and are able to roll 800-1000 beedies during an 8-12 hour day. Other women work part-time while taking care of household activities roll 400-500 of beedies a day
- Beedi rolling is good work for those women workers who do not wish to go out in search of work. Similarly while taking care of the household activities beedi rolling work is carried on and help of other family members can also be taken i.e. it provides employment in house for such women workers
- The demand for facilities under the health scheme reigning supreme over the demand for other facilities reflects the poor state of health of the beedi workers. Their state of poverty increases their vulnerability to tobacco-related and other occupational diseases which leads to their incapacity to do other work and to death
- By and large women roll beedies in their own homes, which are kaccha, small partly lit and with little ventilation. They cook in the same place, children play near them, handling the tobacco and tendu leaf and the younger ones sleep beside them, all of them inhaling the tobacco dust almost continuously
- While the beedi workers Welfare Fund has the potential to contribute towards the betterment of the living conditions of the workers, the size of the fund is too meagre to meet the needs of such large numbers of women beedi work spread over
- Workers in the industry, on the other hand, cannot think beyond their present, cannot envisage a future without the beedi production. For them, beedi making is more than a profession it is a way of life, inalienable from their existence
- Government of Andhra Pradesh has made many provisions to uplift the living standard of the workers of beedi industry. In this process government initiated scholarship for beedi workers childrens, housing schemes for beedi workers, ESI hospitals, Hospitals for Beedi Workers, Minimum wages act from time to time but they are not practiced and implemented by the beedi establishments.
- Periodicity of payment varies from place to place, mostly weekly and in some places daily. Fortnightly or monthly wages are paid in the work shed/factory systems generally. There have been reports of non-payment, irregularities in paying wages. Women, therefore, have to make frequent visits and are harassed in the process.

SUGGESTIONS

- Effective Unionization is needed to voice loudly about the women workers, as they are subject to various exploitations, health problems and other problems.
- Enactment of provisions to uplift women standard of living and effective implementation of such provisions are highly needed at this stage.
- Possibility of employment diversification can be looked in a positive so that lakhs of women workers are suitably replaced with proper re-employment without affecting their socio-economic status.
- There should be establishment of employer-employee relationship irrespective of method of working, this will automatically make them eligible to various benefits provided under the various acts relating to labours and women beedi workers
- Exemption given to unbranded and small manufacturers who produce less than 20 lakh beedies per annum should be withdrawn as it is mostly misused this initiative will bring some opportunity to the women beedi workers.
- Maternity and other facilities for which women workers are eligible in other sectors are to be made in the beedi industry irrespective of their method of working.

- Issue of adequate, good quality, of raw material should be ensured as per the law; this will bring economic stability to the women beedi workers.
- Proper wages should be given, there should be registration of the workers so that they can get the benefits and identity cards should be issued so that the workers know which company they are working for.
- Arrangements for free education to the childrens of beedi workers should be made, Primary education should be imparted to women beedi workers as well.
- Crèches and child care centres should be established to look after female workers' children so that the children are not exposed to the hazards
- All the labour laws applicable to beedi industry should be properly amended from time to time in view of the various changes taking place in the society.

CONCLUSIONS

Devising an appropriate social policy and a plan of action to remedy the continuing evils of exploitative practices in this industry and protect the workers from any threat of prospective, unemployment through sustainable diversification strategies and skill development require a diagnostic study on the working and living conditions of the workers. Assessing the threat potential and possibility of their rehabilitation through employment diversification strategies through enactment of various legislations in the interest of women beedi workers will definitely cause for the employment in beedi industry otherwise employment in beedi work will be a risk factor or a threat to the womens.

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ANNEXURE

TABLE NO. 1: DISTRIBUTION OF BEEDI WORKERS RELIGION AND CASTE WISE

Sl. No.	Category	Percentage
1.	Schedule Caste	15.2
2.	Schedule Tribe	3.3
3.	OBCs	50.3
4.	Other Hindus	10.1
5.	Muslims	20.2
6.	Others	0.9
	TOTAL	100.00

Source: Dass S.K. 2000

TABLE NO. 2: BEEDI MANUFACTURING STATES IN INDIA

Sl.No.	States	% of share
1.	Andhra Pradesh	14.00
2.	Assam	0.20
3.	Bihar	9.00
4.	Gujarat	1.00
5.	Karnataka	8.00
6.	Kerala	3.00
7.	Madhya Pradesh	17.00
8.	Maharashtra	6.00
9.	Orissa	4.00
10.	Rajasthan	2.00
11.	Tamil Nadu	14.00
12.	Uttar Pradesh	10.00
13.	West Bengal	11.00
14.	Tripura	0.17
	Total	100.00

Source: Ministry of Labour Government of India

TABLE NO. 03: NUMBER OF BEEDI WORKERS IN NIZAMABAD DISTRICT

Sl.No.	Year	No. of Workers
1.	2007-2008	4,28,499
2.	2008-2009	4,37,713
3.	2009-2010	4,46,524

Source: Asst.P.F Commissioner EPFO Nizamabad

TABLE NO. 04: NUMBER OF BEEDI WORKERS ENROLLED IN NIZAMABAD DURING LAST 3 YEARS

Sl.No.	Year	No. of Workers enrolled
1.	2007-08	9368
2.	2008-09	8,612
3.	2009-10	9,214

Source: Asst. P. F.s Commissioner EPFO, Nizamabad

TABLE NO. 05: WAGES STRUCTURE OF BEEDI ROLLERS PER 1000 BEEDIS FOR URBAN BEEDI ROLLERS (In Rs.)

Sl.No.	Particulars	2007-08	2008-09	2009-10	2010-11
1.	Basic Wages	50-35	50-35	50-35	55-35
2.	V.D.A.	9-80	15-30	24-50	24-50
3.	BASIC +V.D.A=	60-75	65-65	74-85	79-85
4.	Bonus	5-1	5-47	6-24	6-65
5.	Leave Wages	3-1	3-28	3-74	3-99
6.	NFA	1-33	1-31	1-50	1-60
7.	TOTAL	69-37	75-71	86-73	92-09

Source: Field Survey

TABLE NO. 06: BASIC WAGES OF OTHER CATEGORIES WORKERS IN BEEDI INDUSTRY

Sl.No.	Category of Employee	Basic Wages (Rs.)
1.	Tobacco Distributor/Beedi Sorter/Tray Filler/Gampawala/Watchman etc.	4000.00
2.	Packer (Minimum time rate)	4500.00
3.	Clerk/Typist/Cashier	4500.00
4.	Furnace man/Bhattiwala	5500.00
5.	Accountant	5500.00
6.	Manager	7000.00

Source: Notification of Government of Andhra Pradesh dated 30th Nov.2010

TABLE NO. 07: COST OF LIVING ALLOWANCE

1. For piece rates workers (Beedi Roller & Beedi Packers etc)	Rs.0.19 Paise per point per day
2. For monthly paid workers	Rs. 5.00 per point per month

Source: Notification of Government of Andhra Pradesh dated 30th Nov.2010

TABLE NO. 08: EMPLOYERS AND EMPLOYEES CONTRIBUTION TO EPF (Rs. In Crores)

Sl.No.	Year	Employer's	Employee's
1.	2007-2008	24.80	24.80
2.	2008-2009	19.08	19.08
3.	2009-2010	30.69	30.69

Source: Asst. Commissioner, EPFO, Nizamabad

TABLE NO. 09: NUMBER OF BEDS AVAILABLE IN BEEDI WORKERS HOSPITALS

Sl. No.	No. of Beds	Place of Hospital	State
1.	65	Dhuliyani	West Bengal
2.	50	Kodarma	Jharkhand
3.	50	Mysore	Karnataka
4.	30	Sagar	Madhya Pradesh
5.	10	Gursahaiganj	Uttar Pradesh
6.	30	Mukkadal	Tamilnadu
7.	30	Bihar Sharif	Bihar
8.	15	Jhalda	West Bengal

Source: Press Information Bureau Government of India

TABLE NO. 10: NUMBER OF DISPENSARIES FOR BEEDI WORKERS

Sl. No.	Name of the Region	No. of Dispensaries
1	Ajmer	16
2	Allahabad	18
3	Bangalore	34
4	Bhubaneswar	15
5	Hyderabad	38
6	Jabalpur	27
7	Karma	21
8	Kolkata	18
9	Nagpur	17
	TOTAL	204

Source: Press Information Bureau Government of India


CELEBRITY ADVERTISEMENT AND ITS IMPACT ON BUYING BEHAVIOUR**DR. S. BANUMATHY****HEAD****DEPARTMENT OF COMMERCE****V. V. VANNIAPERUMAL COLLEGE FOR WOMEN
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V. V. VANNIAPERUMAL COLLEGE FOR WOMEN
VIRUDHUNAGAR****ABSTRACT**

This paper deals with celebrity advertisements. Celebrities are popular in the field of sports, modeling and cinema. When celebrities are used in advertisements, the public are eager to buy the products/services. Celebrity advertising focuses upon using celebrity power, fame, money and popularity to gain recognition for the products and promote specific stores or products. Celebrity advertisements perform both primary and secondary functions. Thus, the celebrity advertisement influences the behaviour of the consumers to a very large extent. In order to measure the effectiveness of celebrity advertisement, memory recall test has been conducted. In addition to that the problems faced by the respondents towards celebrity advertisement are also studied. The present study is based on both primary and secondary data. The primary data has been analyzed by using statistical tools such as percentage analysis, mean, standard deviation, chi square test, ranking technique and Likert's five point scaling technique. On the basis of findings of the study, some suggestions are given to improve the effectiveness of celebrity advertisement.

KEYWORDS

Celebrity advertisement, Marketing, Buying Behaviour.

INTRODUCTION

 Strategic positioning and effective communication are the two most important "mantras" guiding brand success in today's competitive marketing environment. In a market where advertising plays a vital role in coordinating consumer purchases, it becomes pertinent for companies to induct all possible measures to influence, motivate and inculcate desire to purchase, in the customer's mind through an effective advertising campaign.

CELEBRITY ADVERTISING

Celebrity advertising focuses upon using celebrity power, fame, money and popularity to gain recognition for the products and promote specific stores or products. It is that activity by which visual or oral messages are addressed to the general public. The success of advertising greatly depends upon effective advertising programme. An effective advertising naturally necessitates mass production, thereby reduces unit cost by lowering the price of goods in favour of consumers.

Celebrities enjoy public recognition. For e.g., Sachin Tendulkar is loved by millions for his wonderful performance in the cricket fields. Furthermore, they appear in public by attending special celebrity events. – Film fare star awards and Videocon screen awards etc.

FUNCTIONS OF CELEBRITY ADVERTISING

The various functions of celebrity advertising may be grouped into two classes.

- ★ Primary functions
- ★ Secondary functions

PRIMARY FUNCTIONS

Among the primary functions, the following are more important.

- ◆ To increase sales
- ◆ Persuasion of dealers
- ◆ Help to dealers
- ◆ Increase in per capita use
- ◆ Receptiveness of new product or model
- ◆ Insurance for manufacturer's business
- ◆ Confidence in quality
- ◆ To eliminate seasonal fluctuations
- ◆ More business for all
- ◆ Raise in standard living

SECONDARY FUNCTIONS

- ◆ To encourage salesman and lead the moral support
- ◆ To furnish information
- ◆ To impress executives
- ◆ To impress factory workers
- ◆ Feeling of security
- ◆ To get better employees

STATEMENT OF THE PROBLEM

Marketers pay millions to celebrities hoping that they will bring magic to their brands they endorse and make them more appealing and successful. The effectiveness of using a celebrity to endorse a firm’s product can generally be improved by matching the image of the celebrity with the quality of the product and the actual or desired concept of the target market. There is a high correlation between the appearance, knowledge, liking, credibility and advertising believability and purchase intentions. In a competitive market, a famous face can give a brand an added appeal and helps it to stand out.

SCOPE OF THE STUDY

The present study “Celebrity advertisement and its impact on buying behaviour” has confined to measure the level of impact towards buying behaviour. It also aims to examine the relationship between socio economic profile of the respondents and their level of impact towards buying behaviour. In order to measure the effectiveness of celebrity advertisement, memory recall test has been conducted. In addition to that the problems faced by the respondents towards celebrity advertisement are also studied. Due to time and cost constraints, only respondents from Virudhunagar alone are selected.

OBJECTIVES OF THE STUDY

The objectives of the present study are as follows:

- ★ To examine the relationship between socio economic profile of the respondents and the impact on celebrity advertisement
- ★ To evaluate the effectiveness of celebrity advertisement through memory recall tests.
- ★ To study the problems faced by the respondents through celebrity advertisement
- ★ To offer suggestions on the basis of findings of the study to improve the effectiveness of celebrity advertisement

RESEARCH METHODOLOGY

The present study is based on both primary and secondary data. The primary data has been collected for 425 respondents through well structured questionnaire. Convenience sampling technique has been adopted for the selection of 425 respondents. However, care has been taken to include all categories of the people. The secondary data has been collected from books, journals, magazines, newspapers and websites. The primary data has been analyzed by using statistical tools such as percentage analysis, mean, standard deviation, chi square test, ranking technique and Likert’s five point scaling technique.

ANALYTICAL FRAMEWORK

Six statements have been framed and Likert’s five point scaling technique has been adopted to measure the level of impact towards celebrity advertisement. Word jargons, effective music, Artist, costumes and styles, facial expression and movements, clarity of the advertisement. In order to examine the relationship between socio economic profile of the respondents and their level of impact towards celebrity advertisement, chi square test has been employed.

LEVEL OF IMPACT TOWARDS CELEBRITY ADVERTISEMENT

Depending upon the scores obtained by the respondents, level of impact has been classified into three viz., high, medium and low which are given in Table 1.

TABLE 1: LEVEL OF IMPACT TOWARDS CELEBRITY ADVERTISEMENT

Level	No. of respondents	Percentage
High	139	32.71
Medium	198	46.59
Low	88	20.70
Total	425	100

Source: Primary data

Out of 425 respondents, 198 (46.59%) have medium level impact, 139 (32.71%) have high level impact and 88 (20.7%) have low level impact towards celebrity advertisement.

SOCIO ECONOMIC PROFILE OF THE RESPONDENTS AND THEIR LEVEL OF IMPACT TOWARDS CELEBRITY ADVERTISEMENT

Socio economic profile such as age, sex, education, occupation, marital status and monthly income influence respondents towards celebrity advertisement. Chi square test has been applied to examine the relationship between socio economic profile of the respondents and their level of impact towards celebrity advertisement.

TABLE 2: RELATIONSHIP BETWEEN SOCIO-ECONOMIC PROFILE AND LEVEL OF IMPACT TOWARDS CELEBRITY ADVERTISEMENT

Socio economic variables		Level			Calculated value	Table value	df	Result
		High	Medium	Low				
Age (in years)	Below 20	48	92	56	31.42	12.59	6	Significant
	20 – 30	50	44	20				
	30-40	26	12	8				
	Above 40	25	36	8				
Sex	Male	110	80	26	17.198	5.991	2	Significant
	Female	67	104	38				
Education	School level	44	70	18	6.79	9.49	4	Not significant
	College level	50	84	36				
	Others	55	40	28				
Occupation	Students	44	92	30				
	Business men	28	20	14				
	Employed	32	52	24				
	Others	35	30	24				
Marital status	Married	77	94	66	15.94	5.991	1	Significant
	Unmarried	69	71	48				
Monthly Income (in Rs.)	Below 10,000	50	30	16	61.53	12.59	6	Significant
	10,000-20,000	42	80	30				
	20,000 – 30,000	32	44	27				
	Above 30,000	20	40	14				

Source: Primary data

It is clear from table 2 that out of six socio economic variables age, sex, education, occupation, marital status and monthly income, five variables age, sex, occupation, marital status and monthly income are significantly related to the level of impact towards celebrity advertisement. The remaining one variable education is not significantly related to level of impact towards celebrity advertisement.

EFFECTIVENESS OF CELEBRITY ADVERTISEMENT

Right use of celebrity plays a vital role for the success of the brand along its advertising over the target market. In order to assess the effectiveness of celebrity advertisement, memory recall test has been conducted. The memory recall test has been conducted in 3 ways.

- ❖ Memory recall test by showing the celebrity
- ❖ Memory recall test by showing the product
- ❖ Memory recall test regarding slogan writing

MEMORY RECALL TEST BY SHOWING THE CELEBRITY

The picture of the celebrity in an advertisement is shown to the respondents. They are asked to find out the product name in which they appear. Table 3 shows the results of memory recall test by showing the celebrity.

TABLE 3: MEMORY RECALL TEST BY SHOWING THE CELEBRITY

Response	No. of respondents	Percentage
Positive response	378	88.94
Negative response	47	11.06
Total	425	100

Source: Primary data

Out of 425 respondents, 378 (88.94%) give positive response and the remaining 47 (11.06%) gave negative response towards celebrity advertisement.

MEMORY RECALL TEST BY SHOWING THE PRODUCT

The picture of the product is shown to the respondents. They are asked to find out which celebrity appears in the advertisement. Table 4 shows the results of memory recall test by showing the product.

TABLE 4: MEMORY RECALL TEST BY SHOWING THE PRODUCT

Response	No. of respondents	Percentage
Positive response	348	81.88
Negative response	77	18.12
Total	425	100

Source: Primary data

Out of 425 respondents, 348 (81.88%) give positive response and the remaining 77 (18.12%) are not able to find out the celebrity by seeing the product.

MEMORY RECALL TEST REGARDING SLOGAN

In this test, the product name is given to the respondent and they are asked to recall the slogan of the product. Table 5 depicts the results of memory recall test regarding slogan.

TABLE 5: MEMORY RECALL TEST REGARDING SLOGAN

Response	No. of respondents	Percentage
Positive response	306	72
Negative response	119	28
Total	425	100

Source: Primary data

Out of 425 respondents, 306 (72%) give positive response and the remaining 119 (28%) gave negative response regarding slogan writing test.

FINDINGS OF THE STUDY

The findings of the present study are as follows:

- ↳ Out of 425 respondents, 198 (46.59%) have medium level impact towards celebrity advertisement.
- ↳ Five socio economic variables age, sex, occupation, marital status and monthly income are significantly related to the level of impact towards celebrity advertisement.
- ↳ Memory recall test by showing the celebrity - 378 (88.94%) give positive response.
- ↳ Memory recall test by showing the product - 348 (81.88%) give positive response.
- ↳ Slogan writing test - 306 (72%) respondents give positive response.

SUGGESTIONS

On the basis of findings of the study, the following suggestions are given to improve the effectiveness of celebrity advertisement.

- ↳ The celebrity advertisement should be designed to cover all age group of people in the society.
- ↳ The consumers should decide whether the product is essential for them or not while buying the product. They should not buy the non essential product by watching the celebrity advertisement.
- ↳ The celebrity in an advertisement should not highlight the false information. They should expose the real facts about the product.
- ↳ While preparing the advertisement copy, enough attention should be given for focusing the brand and not for the celebrity.
- ↳ The celebrity in an advertisement should be patriotic and they should concentrate on home country products.
- ↳ The celebrities should consider the health facts about the products and they act only in the advertisement when the product is good for the health of the people.

CONCLUSION

Advertising is necessary in the modern business world as it does number of services to the customers and businessmen. Genuine advertisement expressing facts only is a must for success. The merits of an advertisement should be borne in mind to achieve fruitful results. If drawbacks mentioned in the study are corrected, celebrity advertisement can be taken as one of the best method of advertisement.

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INFLUENCE OF PERSONALITY ON QUALITY OF WORK LIFE OF TEACHERS

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ABSTRACT

Quality of work life is one of an indispensable element which intrinsically motivates an employee to perform better and produce the best. It also enhances commitment and loyalty of individuals in organizations. An attempt is made to find out the influence of personality factors on quality of work life of teachers. 260 school teachers were selected for this purpose and the data was collected through survey method. The quality of work life was assessed using Work-Related Quality of Life scale by Laar and Personality was assessed using NEO- Big five personality questionnaire by Mc.Crae and Costa. The results showed that there is a gender difference in job and career satisfaction, control at work, working conditions as well in the overall quality of work life of teachers. Also, it is found that teachers differ in their quality of work life based on their type of family. Women teachers have displayed higher conscientiousness than men teachers. The agreeableness factor of personality found to have a significant influence on quality of work life of teachers. The findings and implications are presented in this article.

KEYWORDS

Agreeableness, Conscientiousness, Quality of work life.

BACKGROUND

Work life is the vital part of human existence. Our standard of living is based on the work we do. The nature of work boosts one's self-esteem and determines one's life style. A pleasant work life experience cheers individuals to give their best in their work, induces commitment, citizenship behavior, loyalty, etc. Hence, quality of work life is an essential aspect in the world of work. The term quality of work life is defined as employees' satisfaction of different needs, including social needs, need of esteem, need to use skills and so forth (Sirgy et al., 2001). Quality of work life is determined by various factors such as job satisfaction, job stress, organizational identification, organizational involvement and so on (Pascal and Carayon, 2000). Pay, job security, reward system and opportunity for growth have also found to have significant contribution in enhancing the quality of work life (Rossi et al., 2006). Many researchers have identified various organizational and personal factors that influence quality of work life in different work environments. The literature of quality of work life about teachers in the Indian context had little attention and addressed by very few researchers. Bharathi, Umaselvi and Kumar (2011) found that the college teachers experienced unsatisfactory quality of work life but the non-teaching employees in universities found to be satisfied with their quality of work life (Gupta, 2009). At the same time teachers' perception about their quality of work life markedly influences their classroom practices (Patricia et al., 1995). Teachers' quality of work life is strongly associated with their commitment to work and their sense of efficacy (Lousia, 1998). Teachers working in government schools had moderate quality of work life and there is only a moderate relationship between quality of work life and work commitment, stress and satisfaction (Kian-Sam Hong., Kok-Wah Tan., and Suraini Bujang, 2010). These studies clearly indicate the importance of quality of work life of teachers and its correlates.

Earlier it was thought that quality of work life was influenced by work-related factors, later people started realizing that quality of work life also incorporates life satisfaction factors and feeling of well-being (Danna and Griffin, 1999). Though these factors are on the higher side, people working in the same concern experience varied levels of quality of work life. This indicates other than the mentioned factors, there are other factors influencing quality of work life. The personality-job fit theory proposes that a fit between personality type and occupational environment determines job satisfaction and employee turnover. People are attracted towards the organisation that matches their values. If there is a mismatch then they either leave the organization or their performance will not be up to the satisfaction.

One of the important personal variables which influence the social world is human personality. Personality encompasses all characteristics of an individual. It is defined as a dynamic organization, inside the person, of psychological systems that create a person's characteristic pattern of behavior, thoughts and feelings (Carver and Scheier, 2000). Personality remains quite consistent throughout life. The relationship between personality and quality of work life (QWL) was explored in the colleges and universities in Haryana (Nirmala and Manju, 2008). Three dimensions of personality were positively correlated with the QWL. Extroversion was positively related to opportunities to use and develop human capacity. Agreeableness was positively related to social integration in the work force. Conscientiousness was positively related to opportunities to use and develop human capacity, social integration in the work force and constitutionalism in the work organization.

RATIONALE FOR THE STUDY

An individual's personality influences the way one approach and reacts to important life situations. People's abilities to adjust to unattainable goals are associated with good quality of life. Though individuals' performance in job is related to their abilities, their success in job is determined by their personality. It is widely accepted by the personality researchers that the human personality determines the nature of our characteristics behavior, but at the same time the environment also influences the way we behave. Work life is an essential aspect in one's life and hence, it is essential to have a balance between our personality and the work environment. Though same work environment is provided to many employees, some of them experience a good quality of work life while the others do not. These kind of differences should be minimized by the Psychologists, thereby improve the quality of work life of employees at all levels. Personality is the basic determinant of human behavior and hence it is imperative to explore its relationship with quality of work life.

HYPOTHESES

1. Teachers differ in their quality of work life on the basis of gender.
2. Teachers from nuclear and joint family system differ in their quality of work life.
3. Male and female teachers differ in their big five factors of personality.

4. Personality of teachers has significant influence on their quality of working life.

RESEARCH METHOD

The present study adopted survey method. The following tools were used to collect the data.

1. Work-related quality of life scale developed and standardized by Laar (2007): This tool consists of 79 questions answered on a 5-point scale—never, seldom, sometimes, often and always—measuring six factors that interact to explain and predict quality of working life. They are General Well-Being (GWB), Home-Work Interface (HWI), Job and Career Satisfaction (JCS), Control at Work (CAW), Working Conditions (WCS), Stress at Work (SAW).
2. NEO-Big five personality questionnaire by Mc Crae and Costa(1991): This scale consists of 25 statements answered on a 5-point scale. The five factors measured by this scale are extraversion, openness to experience, agreeableness and conscientiousness.

Two hundred and sixty school teachers from Thrissur and Malapuram Districts of Kerala state were selected through stratified random sampling. The above mentioned tools were distributed to the teachers. The instructions were given as per the manual. ‘t’-test and liner regression were used to analyse the data.

RESULTS AND DISCUSSION

TABLE 1: QUALITY OF WORK LIFE OF SCHOOL TEACHERS ON THE BASIS OF GENDER

Dimensions of Quality of Work Life	Men (N=109)		Women(N=151)		t- value
	Mean	SD	Mean	SD	
General wellbeing(GWB)	5.57	1.39	5.89	1.29	1.52
Home-work interference (HWI)	5.23	1.51	5.48	1.48	1.10
Job & career satisfaction (JCS)	5.61	1.03	6.32	1.35	3.53*
Control at work (CAW)	4.26	2.16	4.95	1.82	2.34*
Working conditions (WCS)	5.08	1.72	5.90	1.60	3.19*
Stress at work (SAW)	5.43	2.12	5.69	1.99	0.83
Work-related quality of life (WRQoL)	5.20	1.12	5.71	1.03	3.10*

*p<0.05

From table 1, it is found that there is a significant gender difference in three dimensions of quality of work life namely, job and career satisfaction, control at workplace and working conditions as well as with overall quality of work life. Women teachers have significantly higher score in all the three dimensions along with the overall quality of work life. This finding is supported by Oshagbemi (2000), who reported that female academics at higher ranks were more satisfied with their jobs than male academics of comparable ranks. Many studies on job satisfaction revealed that female teachers have high level of job satisfaction than male teachers (Ali and Akhtar, 2009; Khan and Ali, 2005; Okpara, Squillace and Erond, 2005). This difference may be due to different factors in the work, which contribute to job satisfaction among men and women. Women consider teaching job as secure and gains them respect in the society. It is only in the teaching profession they get enough time to spend with their family. A study by Tasmin (2006) claimed that women teachers’ job satisfaction is influenced by their work environment, interpersonal relation and supervision of the head teacher, whereas men teachers’ job satisfaction is influenced by salary and job security. It is clear from the finding that the social nature of men and women contributes a lot to their expectation and satisfaction.

TABLE 2: QUALITY OF WORK LIFE OF TEACHERS BASED ON THEIR FAMILY TYPE

Dimensions of Quality of Work Life	Joint Family (N=128)		Nuclear Family(N=132)		t- value
	Mean	SD	Mean	SD	
GWB	5.65	1.25	6.00	1.36	2.14*
HWI	5.35	1.32	5.52	1.64	0.93
JCS	6.08	1.23	6.28	1.40	1.20
CAW	4.48	1.85	5.15	1.90	2.87*
WCS	5.49	1.66	5.98	1.62	2.37*
SAW	5.46	2.01	5.81	2.02	1.37
WRQoL	5.42	0.95	5.79	1.14	2.82*

*p< 0.05

From table 2, it is found that there is a significant difference in general wellbeing, control at workplace, working conditions and overall quality of work life based on type of family of the teachers. Teachers from nuclear family experience relatively good psychological and physical health compared to teachers from joint family. In nuclear families normally one can find more time to take care of themselves and their work, whereas in the joint families one has to take care of other family members and responsive for other social roles, which in turn cause many problems at workplace. This may make them to feel that they have no control over things happening to them and generalize the same to the workplace irrespective of whether they are given freedom or not in the work place, hence they have expressed less in control at work place dimension. At the same time teachers from nuclear family decide on things that affect them and thus make effective use of the freedom given to them at the workplace. This would have influenced their feeling about working conditions and thus they feel satisfied about their working conditions. It is understood clearly from the finding that the autonomy enjoyed in the nuclear family setting certainly influences the quality of work life of teachers.

TABLE 3: PERSONALITY OF MALE AND FEMALE TEACHERS

Big5 Personality Factors	Men (N=109)		Women (N=151)		t- value
	Mean	SD	Mean	SD	
Negative emotionality	13.78	3.52	14.53	2.44	1.13
Extraversion	16.89	3.68	16.09	3.14	1.00
Openness to experience	13.78	2.59	12.85	3.06	1.25
Agreeableness	18.73	3.26	18.80	2.49	0.10
Conscientiousness	17.31	3.59	18.86	2.99	2.02*

*p< 0.05

From table 3, it is observed that there is a significant gender difference in conscientiousness construct of personality. It is found that women teachers have high level of conscientiousness than men teachers. This indicates that women teachers are responsible, organized, hardworking, persistent and achievement-oriented when compared to men teachers. This is supported by Rubinstein (2004) and Schmitt, et al., (2008) Weisberg, DeYoung and Hirsh (2011) who reported that women have higher level of conscientiousness than did men. Because of equal access to higher education, knowledge and job opportunities, women might have become more responsible, determined and achievement-oriented than men.

TABLE: 4 INFLUENCE OF PERSONALITY ON THE QUALITY OF WORK LIFE OF TEACHERS

Dependent variable	B	β	t-value	Model summary
GWB	0.138	0.295	4.078*	R ² =0.073 F =4.013 P<0.01
HWI	0.152	0.286	3.945*	R ² =0.067 F =3.636 P<0.01
JCS	0.133	0.281	3.874*	R ² =0.065 F =3.544 P<0.01
CAW	0.187	0.275	3.784*	R ² =0.064 F =3.439 P<0.01
WCS	0.163	0.275	3.794*	R ² =0.066 F =3.580 P<0.01
SAW	0.199	0.276	3.809*	R ² =0.068 F =3.709 P<0.01
WRQoL	0.106	0.281	3.866*	R ² =0.067 F =3.611 P<0.01

*p< 0.05 Independent variable: Agreeableness

To find out the influence of big five personality factors on the QWL, regression analyses were performed. Among the big five factors only "agreeableness" factor of personality found to have significant influence on the QWL of teachers (only these values are reported in the table). McCrae and Costa (1991) argued that agreeableness should be related to happiness because agreeable individuals have greater motivation to achieve interpersonal intimacy, which should lead to greater levels of well-being, which in turn may influence their job satisfaction. Agreeable individuals by nature are compliant and rule abiding, therefore, they may perceive work pressures and demands as acceptable and not excessive or stressful. They adjust to the situations and do not demand to have control over situations. They accept the decisions made by the superiors in their workplace and do not complain over the decisions taken. Because of their adjusting nature they are able to balance their personal life and work life. Thus they tend to have high level of quality of work life.

IMPLICATIONS

From the findings of the study it is understood that men teachers are less satisfied with their job, working conditions and experience poor quality of work life. This is a challenge for the administration and permanent damage for the student community. The administration should identify the problems of men teachers and take measures to alleviate them. Teachers from joint family reported poor quality of work life. The administration should think of revising the working time, leave, permission, meeting timings, etc and conduct health related programmes for teachers which would help them to experience a better quality of work life. Regular workshops should be organized for teachers on capacity building and other related programmes thereby teachers can modify their approach towards work. Training programmes should be organized to promote the conscientiousness of teachers which contributes to job performance. It is important for the employers to employ personality assessment while recruiting candidates, so that they can have better candidates who fit with the organization's culture, which in turn result in higher employee satisfaction.

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LEADERSHIP ENHANCEMENT THROUGH ASSESSMENT AND DEVELOPMENT (LEAD) AT ALPHA PHARMACEUTICALS INDIA PRIVATE LTD.

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ABSTRACT

This case is about ALPHA Pharmaceutical Company's Leadership enhancement through assessment and development (LEAD) programme for health care executive and therefore focuses on LEAD tools and techniques. The case highlight's how the firm deliver's this programme and the benefits out of it for the organization and themanager. LEAD is conducted once in a year during the appraisal. The two day programme provides them the development input on planning, organizing, decision making, leadership and selling skills. An assessment is conducted on the basis of their performance during the field activity. Those managers who score above the average cut off are promoted as Sr Health Care Executive. The basic objective of LEAD is to identify and the quality, capacity and knowledge in person to lead the group and find a right approach to find a solution.

KEYWORDS

Leadership enhancement, LEAD, ALPHA Pharmaceuticals.

BACKGROUND

ALPHA Pharmaceuticals India Pvt. Ltd. was incorporated in October 2004, with registered office at Mumbai. ALPHA Co., Ltd was the first Japanese Company to have 100% subsidiary in Indian pharmaceutical market.

ALPHA being an MNC was expected to give a different model, input to assess and develop the employees which would be fruitful in long run for individual and the organization.

ALPHA worldwide practices *hhc* (human health care) philosophy by giving first thought to patients and family members. ALPHA India also practices *hhc* philosophy by engaging with government, academia and NGOs working in specific areas. ALPHA India has won the coveted global *hhc* award, 2006, for practicing *hhc* philosophy & creating HOPE for senior citizens in India.

In India more than 30 lakh senior citizens are affected by dementia. However, when ALPHA entered India, only 85,000 were under any kind of treatment.

ALPHA PHILISOPHY/CULTURE

CUSTOMER FOCUS: ALPHA India compares himself with top ranked pharmaceutical company and further emphasis that this companies train people with an objective of sales orientation where as Alpha basic objective is not sales but services towards patients and they could win confidence of their customer by giving a best service. They believe that every patient suffering from disease requires attention not only from doctor but also from the pharmaceutical company because they are the originator's of the drug. Providing a right quantity at right price is what they believe real customer service is all about.

As part of its *hhc* (human health care) philosophy, has partnered with ARDSI (Alzheimer's and Related Disorders Society of India) an NGO working for improving quality of life of people living with dementia and increasing awareness about dementia. ALPHA India collaborates with ARDSI, senior citizens associations, NGOs like Lions Rotary, government institutions & medical professionals in following activities:

- Media awareness programs for general public
- Screening of awareness films
- Organizing awareness camps for senior citizens in community through medical professional
- Setting up & supporting Memory clinics for end to end solution (awareness, intervention & post care , scientific data generation)
- Training of caregivers

Employee Focus: In their training to health care execution they teach them to say 'No' than number of 'Yes' because their trainers know that same kind language is used at all levels such as inner manager, sales manager and MD level hence what ever is going to say is the language of the organization.

They also look at employees as their young talent the leader knows that their job is to roll out different kind of programs and development this developing talent. This in term helps to retain their employees.

ALPHA India has won the prestigious THE RX CLUB GOLD in public service announcement (PSA) category for the year 2009 for its movie "Bedtime Story".

The ALPHA India product portfolio includes prescription medicines in several therapeutic areas such as central nervous system disorders, muscle spasm, vertigo, Gastrointestinal disorders, diabetic & peripheral neuropathy.

ALPHA Pharmaceuticals' employees (ALPHANS) are spread all over India in form of Health Care Executives (HCE), Regional Managers (RM) and Sales Managers (SM). Its India headquarter is based at Andheri East, Mumbai having 15 employees supporting the field who are 80 in numbers.

This company is at last slots of the pure multinational level where they offer scientific services in attending seminars related to particular disease, they have specific guidelines mentioning about the politics and ethics of our company.

Competency Mapping is a process through which one assesses and determines one's strengths as an individual worker and in some cases, as part of an organization in areas like team structure, leadership, and decision-making. It is one of the most important procedure by which one can be evaluated like how strong he/she is in decision making process, what type of leadership skills he/she posses etc. (INSTEAD OF COMPETENCY MAPPING CAN WE ADD SOMETHING ON LEADERSHIP TRAINING AND DEVELOPMENT IN PRESENT CONTEXT)

This case study highlights the LEAD programme only for health care executives and therefore focuses on the LEAD tools and techniques accordingly.

NEED FOR LEADS

The company felt that talent was critical to its overall business performance and as such had established a robust talent management process in the company. They believe in talent management and for nurturing and churning out talent manger's. Also the managers who had worked in the company and later held key responsibilities and position need to trained properly. Many of the fresh talent which comes in the organization it is not possible to empower them at a very starting stage but if the talent is properly nurtured he can be a Vice President in another 10 years time. Similarly handling a new person is very important and

keeping a team is a job of intermediate for eg. Regional manager who is handling a team of MBA should be able to maturely understand the need of execution; where as regional manager has worked for 2 to 3 years need man management skills so their chances of accreditations are high then others. So a program which takes care of all these issues was to be introduced.

LEADERSHIP ENHANCEMENT THROUGH ASSESSMENT AND DEVELOPMENT (LEAD)

LEAD (Leadership Enhancement through Assessment and Development) is developmental programme designed for HCE (Health Care Executives) to assess and sharpen their skills for future possibilities in career with ALPHA in departments like Sales, Marketing, Product Management, Medico Marketing etc. It is a creation of Talent Pool within the organization wherein the organization believes to give first preference to its employees.

The very first step is Sr. HCE level earned by them after going through this programme. They are short-listed by their Regional Managers (RM) and Sales Managers (SM) on the basis of their performance in the field activity, human health care (*hhc*) activities, and Achievement.

These two days programme provides them the Developmental input on Planning, Organizing, Decision Making, Leadership and Convincing ability/selling skills by the faculty. They are assessed and scored by the Sales Managers and Faculty at different activity levels. Those who score above the average cut off score are promoted as Sr. Health Care Executive.

LEAD is conducted once in a year during the appraisal cycle. In 2009-2010 LEAD invited 13 ALPHAs for assessment and development out of which 11 were promoted as Sr. Health Care executives, one of which is the Regional Manager as on today.

LEAD is ALPHA's one of those assets which has developed many skills, managers and succeeded to create a career path for employee motivation and retention, building high performance.

Assessors of LEAD

Mr. Deepak Naik, Managing Director of ALPHA Pharmaceuticals India Pvt. Ltd.

Mr. Atul Bhatnagar, National Sales Manager of ALPHA Pharmaceuticals India Pvt. Ltd.

Participants of LEAD

Health Care Executives (Now Sr. Health Care Executives and 1 Regional Manager) of ALPHA Pharmaceuticals India Pvt. Ltd.

PARTICIPANTS TAKE ON ASSESSMENT IN ALPHA

LEAD (Leadership Enhancement through Assessment and Development) is developmental programme designed for HCE (Health Care Executives) to assess and sharpen their skills for future possibilities in career with ALPHA. The first step is Sr. HCE level earned by them after going through this programme. Those who score above the average cut off score are promoted as Sr. Health Care Executive.

PURPOSE

Assessment at ALPHA Pharmaceuticals is carried out once in a Year at the time of appraisal. The Top management makes sure that enough time and effort is invested in building these competencies as ALPHA believes in building a competency-based organization. This LEAD programme creates a talent pool for HCEs to further grow within the organization. It is the first step or should we call it a door which opens towards the orbit of ALPHA giving various career options in Sales, Marketing, Product Management, Business Development etc.

In ALPHA competencies once assessed are further developed into the required areas to let the individual grow for the success of self and also for the organization. The Performance Appraisal is one the tool wherein these competencies are identified.

- To identify and develop the quality, capability and knowledge in person to lead the group and help him to find out right approach to the situation in professional life as well as personal life.
- To analyze and assess the hidden managerial skills within and further sharpen them.
- To identify the inherent efficacy of individual leader ship quality and developing it prepare for the next stage of responsibilities

ACTIVITIES

Many interesting activities were arranged to learn the importance of team work, like indoor and outdoor activities, understanding of management theories, decision making

Outdoor Activities

Shark Island, Lost at Sea, water filling with a bottle in short time with group etc

Indoor Activities

Case study, role plays, indoor cricket, identify names of historical people by asking questions etc

EXPERIENCE SHARING

The experience is shared in few words i.e. "LEARN WITH FUN". Learning's highlighted various qualities to achieve goals, carry out their routine tasks with new approaches and ideas, experiencing the qualities of a leader with new dimension, Importance of team building understood through the activities. A different approach to assess these skills gave the feeling of a school boy learning science in the playground.

EXPECTATIONS & FEEDBACK

Developmental workshops are always expected to be formal, a one way traffic of an experienced speaker and participants as listeners. But LEAD gave a different experience with absolute uniform sharing of Thoughts from everyone, speaker and the participants. ALPHA being an MNC was expected to give a different module, inputs to assess and develop the employees which would be fruitful in long run for the individual as well for the organization.

The expectations of the individual were interconnected with that of the organization i.e. to developed self as a good team leader and lead the team. This workshop gave a platform to be open to new ideas, approaches, learn about self, skills required for a job.

Participants learned is role of a leader and responsibility of a team leading person, team building, being open for other person's thoughts, motivation, adapting to a new challenges, time and circumstance management.

Every activity taught them new skills, new learnings and building responsibility, confidence within them and the organization. It was to make professional life much better than the earlier in terms communication, Right approach for the situation, routine tasks of attending doctors (probing, pre call planning, post call planning etc.), for being a good speaker need to be a good listener.

The changes seen in them after attending the workshop were

- Improvement in becoming a good listener
- The ownership feeling for the success in their own territory/region. Feeling of togetherness as a team and enjoying the success together.
- More efficiency and confidence in routine tasks of attending the customers, new approach towards solving their queries.

RECOMMENDATIONS

Organization believes in transparency. The suggestion was to provide the all information to all the participation that what type of programme they are going to conduct, what quality and level of knowledge will be assessed, what kind of activities will be carried out. The agenda to be intimated at least 10-15 days in advance for the participants to prepare themselves before attending this workshop.

RESULTS

- Objective of the workshop should be disclosed in advance to the participants before inviting them for the ACDC.
- Communication to participants on the activities to be conducted in the ACDC.
- Trust to be created amongst the participants who have failed to clear the assessment centers.
- Future prospects in case the employee does not clear ACDC.
- Examples of participants who have cleared to those who have not cleared.
- Feedback to be taken from all participants.
- ACDC for other levels also

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REFERENCE

The official website of the company. The name of the organization has been masked to maintain confidentiality.

ANALYSIS OF CUSTOMERS' PERCEPTION IN INDIAN BANKING SECTOR

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ABSTRACT

Without a sound and effective banking system in India it cannot have a healthy economy. The banking system of India should not only be hassle free but it should be able to meet new challenges posed by the technology and any other external and internal factors. For the past three decades India's banking system has several outstanding achievements to its credit. The most striking is its extensive reach. It is no longer confined to only metropolitans or cosmopolitans in India. In fact, Indian banking system has reached even to the remote corners of the country. This is one of the main reasons of India's growth process. But now the Indian banking industry is passing through a phase of customer market. Today, he has a choice. Gone are days when the most efficient banks transferred money from one branch to other in two to three days. Now it is simple as instant messaging or dial for a pizza. A customer today holds a wide array of choices. There exist various factors which influence the banking selection decisions of an individual. Thus, a survey was conducted and the results obtained from 200 clients were analyzed to understand the factors that influence the bank selection decisions. The different parameters based on importance are found as Safety of Funds, secured ATMs, ATMs availability, reputation, personal attention, pleasing manners, confidentiality, closeness to work, timely service and friendly staff willing to work etc.

KEYWORDS

customer perception, Indian banking sector.

INTRODUCTION

The Indian Banking industry has grown by leaps and bounds both in terms of financial prosperity and also in terms of the number of players in the banking sector. With the emergence of the Private Banks on the landscape of the Banking Sector, the monopoly of the once supreme Public Sector Banks has come to an end and retail credit off-take which was pretty sluggish earlier has taken-off in a big way. Another spin-off of this development has been the customer-centric focus of banks with "CUSTOMER SATISFACTION" being the **buzzword**; banks concentrating on delivering value and convenience to their customers. The liberalization of the economy by the Indian Government has thrown open the flood gates for large foreign banks like – Standard Chartered, HSBC, Credit Suisse, Bank Of America and numerous other banking majors for staging an entry into the lucrative Indian market .

The increasing propensity of the Indian society to spend and consume more and more, fuelled by the increasing purchasing power and disposable incomes of the middle and affluent classes, the changing dynamics of savings and investment opportunities in the Indian context have had a significant influence on the way Indian Banking industry has evolved over the years.

REVIEW OF LITERATURE

Banking has come a long way since the 1960s to the late 1980s which witnessed the gradual decline in the monopoly of Public sector banks and customers being able to access efficient banking services. The emergence of Private banks; the stiff competition which they have been giving to the Public Sector banks, the proliferation of Retail Banking henceforth has revolutionized the banking set-up of the country and ushered in to a great extent modernization and efficiency in services .

Thabet A. Edris (1997) identified the relative importance of banking services to business customers' needs, and find out the true determinants of bank selection decisions. Profile analysis results revealed that Kuwaiti, non-Kuwaiti, and joint business firms are significantly different in their perceptions of the relative importance of many services offered by Kuwaiti banks. The work signifies that the true determinants of bank selection decisions made by business customers are more likely to be a function of both the perceived importance of bank attributes and the differences among banks in a given region with regard to each of these attributes.

James Devlin and Philip Gerrard (2004) presented an analysis of customer choice criteria and multiple banking. In particular, the study presented an analysis of the relative importance of various choice criteria for main and secondary banks, highlighted the differences and considered the marketing implications. A quantitative methodology incorporating 495 respondents was employed in the analysis. Findings showed that there are significant differences between selecting a first and secondary bank. Recommendations from others are influential and significantly more important in prompting choice of secondary bank. Offering an incentive is also significantly more important in prompting choice of secondary bank, but is less influential in terms of overall ranking of importance.

Cronin and Taylor (1992) reported structural modeling results which indicated perceived service quality is an antecedent to satisfaction. A recent study conducted by Levesque and McDougall (1996) confirmed and reinforced the idea that unsatisfactory customer service could lead to a drop in customer satisfaction and willingness to recommend the service to a friend. This would lead to increase in switching by customers. So, the significance of customer satisfaction and customer retention in strategy development for a 'market oriented' and 'customer focused' firm cannot be underestimated (Kohli and Jaworski, 1990). Customer satisfaction can be considered as the essence of success in today's highly competitive world of business. Customer satisfaction is increasingly becoming a corporate goal as more and more companies strive for quality in their products and services (Bitner and Hubbert, 1994).

N. Kamakodi and Basheer Ahmed Khan, (2008) highlighted the various determinants which influence an individual banking selection decision. The main instruments used for this research study was the questionnaire/survey designed by the researcher based on the factors which were selected from various empirical research works covered in the literature survey and were finalized after several rounds of discussions with select panel of bankers, customers using banking services and academicians. In this context, an understanding of 'determinant of customer satisfaction' (Churchill and Surprenant, 1982; Levesque and McDougall, 1996) is of great significance to marketers.

Churchill and Surprenant (1982) reported that disconfirmation positively affected satisfaction. That is, when subjects perceived the product performing better than expected, they were more satisfied (Churchill and Surprenant, 1982). Further empirical research supports the notion that satisfaction is caused by expectations and requires considerable cognitive effort on the part of customers (Bearden and Teel, 1983)

Banking in the Western world is one of the many service industries where customer satisfaction has been the focus of research (Holliday, 1996). This is mainly because of the fact that the banking sector is increasingly experiencing a high level of competition.

Khazeh and Decker (1992) analyzed the determinants of consumers' bank selection decision thro a survey conducted among 1198 of business school alumni of Salisbury state university in Maryland using a questionnaire containing 22 factors that were identified to influence the banking decision. Service charges, the reputation of the bank, interest rates on loans, time required for loan approval and friendly tellers were identified as the top 5 determinants of bank selection decision. Effective advertising was considered as least important (Rank 22) while ATM availability, closeness to work, closeness to home were ranked 12, 16 & 17 respectively. Focusing customers attention on low ranking factors may do little to attract new customers and on retaining the exiting one.

IDENTIFICATION OF THE PROBLEM

The basic and foremost objective of this study is to analyze the various factors that enable an individual to choose a particular bank. It aims to find out that which factors i.e. Emotive or Tactile are more crucial in influencing an individual banking selection decision.

The study also emphasized on finding out the various factors responsible for changing them the bank in the past five years. The study also emphasizes upon the comparison of Public & Private sector banks in India on various dimensions like trust, cost, customer satisfaction, hassle free services etc.

For achieving the first objective the following hypothesis is taken:

“Do the data reveal significant differences between the preferences of the respondents as far as ‘emotive factors’ and tactile factors are considered in influencing an individual bank selection decision”?

Ho: - There is no significant difference between the preferences of respondents while considering ‘emotive factors’ as well as tactile factors.

Keeping in view the objectives of the study, the Research Design selected is a combination of Exploratory, Descriptive and Causal Research Designs which would be most suited to fulfill the requirements of the Study and assist in the proper analysis and interpretation of data. Both Primary and Secondary data sources have been utilized and Primary data has been acquired for through questionnaires and online surveys. The respondents consisted of house wives, students, business men, and professionals etc. who holds a bank account or who want to open bank account. The sample size for this Research study is 200 respondents (customers). Around 200 people in various age groups were targeted for the purpose of the research. The target population represents the NCR region. The people were from different backgrounds i.e. professionals, self employed, housewives, servicemen etc.

ANALYSIS & INTERPRETATION

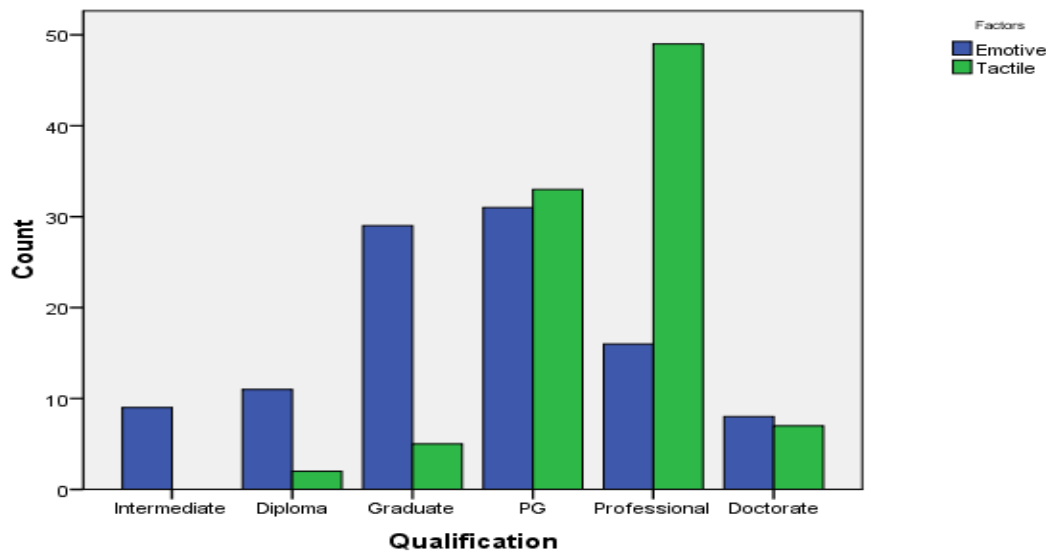
SECTION A

This section deals with the analysis of responses received on the basis of questionnaire. It is found that majority of the respondents are availing the services from public sector banks. It is evident from Table: 1 that 44 percent of respondents were getting the services of public sector banks, 37.5 percent were with private sector banks and remaining respondents (18.5 percent) were from foreign banks.

TABLE 1

Types of Banks	No. of Respondents
Public	88(44 percent)
Private	75(37.5 percent)
Foreign	37(18.5 percent)

Bar Chart



During the discussions held with the respondents, it is found that both the factors play a crucial role in the selection of a particular bank. 104 respondents opted for the Emotive Factors while 96 respondents opted for the tactile factors. The maximum number of the respondents who opted for tactile factors are professional. The maximum number of the respondents who opted for emotive factors are post graduates.

CASE PROCESSING SUMMARY

	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
Bank * Hassel Free Service	200	100.0%	0	.0%	200	100.0%
Bank * Expensive	200	100.0%	0	.0%	200	100.0%
Bank * Secure & Trust	200	100.0%	0	.0%	200	100.0%
Bank * Accessibility	200	100.0%	0	.0%	200	100.0%
Bank * Satisfaction	200	100.0%	0	.0%	200	100.0%

BANK * HASSEL FREE SERVICE CROSS TABULATION

Count							
		Hassel Free Service					Total
		STRONGLY AGREE	AGREE	CANT SAY	DISAGREE	STRONGLY DISAGREE	
Bank Public	5	53	10	12	8	88	
Private	0	0	17	47	11	75	
Foreign	0	2	8	23	4	37	
Total	5	55	35	82	23	200	

The above cross tabulation helped in analyzing the following results-

→Out of the 88 respondents who are availing the services of the Public Banks, 58 respondents agreed to the statement that Public Bank offers hassle free services as compared to the Private Banks.

→Out of the 75 respondents who are availing the services of the Private Banks, no single respondent agreed to the statement that Public Bank offers hassle free services as compared to the Private Banks. However, 58 respondents disagreed to the statement that Public Banks offer hassle free services than the Private Banks.

→Out of 37 respondents who are availing the services of the Foreign Banks, 2 respondents agreed that Public Banks are offering hassle free services as compared to the Private Banks. However 27 respondents disagreed with the statement that Public Banks are offering hassle free services than the Private Banks.

Of the total 200 respondents only 60 agreed with the above mentioned statement.

BANK * EXPENSIVE CROSS TABULATION

Count							
		Expensive					Total
		STORONGLY AGREE	AGREE	CANT SAY	DISAGREE	STRONGLY DISAGREE	
Bank Public	16	69	3	0	0	88	
Private	1	22	27	24	1	75	
Foreign	2	7	8	16	4	37	
Total	19	98	38	40	5	200	

The above cross tabulation helped in analyzing the following results-

→Out of the 88 respondents who are availing the services of the Public Banks, 85 respondents agreed to the statement that Public Banks are less expensive as compared to the Private Banks.

→Out of the 75 respondents who are availing the services of the Private Banks, 23 respondents agreed to the statement that Public Banks are less expensive as compared to the Private Banks.

→Out of 37 respondents who are availing the services of the Foreign Banks, 9 respondents agreed that Public Banks are less expensive as compared to the Private Banks. However 20 respondents disagreed with the above mentioned statements.

Of the total 200 respondents only 117 agreed with the above mentioned statement.

BANK * SECURE & TRUST CROSS TABULATION

Count							
		Secure & Trust					Total
		STORONGLY AGREE	AGREE	CANT SAY	DISAGREE	STRONGLY DISAGREE	
Bank Public	21	61	6	0	0	88	
Private	0	24	38	13	0	75	
Foreign	0	5	14	16	2	37	
Total	21	90	58	29	2	200	

Results: The above cross tabulation helped in analyzing the following results-

→Out of the 88 respondents who are availing the services of the Public Banks, 82 respondents agreed to the statement that Public Banks are more secure and can be trusted more in comparison to the Private Banks.

→Out of the 75 respondents who are availing the services of the Private Banks, 24 respondents agreed to the statement that Public Banks are more secure and can be trusted more in comparison to the Private Banks. 13 respondents disagreed with the above mentioned statement.

→Out of 37 respondents who are availing the services of the Foreign Banks, 5 respondents agreed that Public Banks are more secure and can be trusted more in comparison to the Private Banks. However 18 respondents disagreed with the above mentioned statements.

Of the total 200 respondents only 111 agreed with the above mentioned statement.

Bank * Accessibility Cross Tabulation

Count							
		Accessibility					Total
		STORONGLY AGREE	AGREE	CANT SAY	DISAGREE	STRONGLY DISAGREE	
Bank Public	10	31	40	5	2	88	
Private	0	5	31	31	8	75	
Foreign	2	2	7	21	5	37	
Total	12	38	78	57	15	200	

The above cross tabulation helped in analyzing the following results-

→Out of the 88 respondents who are availing the services of the Public Banks, 41 respondents agreed to the statement that Public Banks are having more extensive branches and are easily accessible. It was also found 40 respondents neither presented their agreement or disagreement with the statement.

→Out of the 75 respondents who are availing the services of the Private Banks, only 6 respondents agreed to the statement that Public Banks are having more extensive branches and are easily accessible.

→Out of 37 respondents who are availing the services of the Foreign Banks, 4 respondents agreed that Public Banks are having more extensive branches and are easily accessible. 28 respondents disagreed with the above mentioned statement.

Of the total 200 respondents only 50 agreed with the above mentioned statement.

BANK * SATISFACTION CROSS TABULATION

Count	Satisfaction					Total
	STORNGLY AGREE	AGREE	CANT SAY	DISAGREE	STRONGLY DISAGREE	
Bank Public	3	11	38	26	10	88
Private	0	4	22	35	14	75
Foreign	0	0	9	22	6	37
Total	3	15	69	83	30	200

Results: The above cross tabulation helped in analyzing the following results-

→Out of the 88 respondents who are availing the services of the Public Banks, 14 respondents agreed to the statement that Public Banks are more customer oriented and leads to their satisfaction. It was also found that 36 respondents neither presented their agreement or disagreement with the statement.

→Out of the 75 respondents who are availing the services of the Private Banks, only 4 respondents agreed to the statement that Public Banks are more customer oriented and leads to their satisfaction.

→Out of 37 respondents who are availing the services of the Foreign Banks, no respondents agreed that Public Banks are more customer oriented and leads to their satisfaction. 28 respondents disagreed with the above mentioned statement.

Of the total 200 respondents only 18 agreed with the above mentioned statement.

The tables below are the result of cross tabulation between the factors i.e. emotive and tactile factors and the various determinants which can result in the selection decision of a particular bank.

CASE PROCESSING SUMMARY

	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
Factors * Any Branch Banking	200	100.0%	0	.0%	200	100.0%
Factors * Easy Access	200	100.0%	0	.0%	200	100.0%
Factors * User Friendly	200	100.0%	0	.0%	200	100.0%
Factors * Brand Name	200	100.0%	0	.0%	200	100.0%
Factors * Connectivity	200	100.0%	0	.0%	200	100.0%
Factors * Reputation	200	100.0%	0	.0%	200	100.0%
Factors * Personal Attention	200	100.0%	0	.0%	200	100.0%
Factors * Net Banking	200	100.0%	0	.0%	200	100.0%
Factors * Phone Banking	200	100.0%	0	.0%	200	100.0%
Factors * Marketing Efforts	200	100.0%	0	.0%	200	100.0%
Factors * Easy Loan	200	100.0%	0	.0%	200	100.0%
Factors * Suggested by Friend	200	100.0%	0	.0%	200	100.0%

FACTORS * ANY BRANCH BANKING CROSS TABULATION

Count	Any Branch Banking			Total
	STORNGLY AGREE	AGREE	CANT SAY	
Factors Emotive	19	83	2	104
Tactile	66	30	0	96
Total	85	113	2	200

It can be easily interpreted that 'Any Branch Banking' though being a tactile factor is also an important determinant for the respondents who opted for emotive factors as more crucial in the banking selection decision.

FACTORS * EASY ACCESS CROSS TABULATION

Count	Easy Access		Total
	STORNGLY AGREE	AGREE	
Factors Emotive	28	76	104
Tactile	63	33	96
Total	91	109	200

The cross tabulation results in the interpretation that 'Accessibility' though being a tactile factor is again an important determinant for the respondents who opted for emotive factors as more crucial in the banking selection decision.

FACTORS * USER FRIENDLY CROSS TABULATION

Count						
		User Friendly				Total
		STORONGLY AGREE	AGREE	CANT SAY	DISAGREE	
Factors Emotive	14	79	9	2	104	
Tactile	48	48	0	0	96	
Total	62	127	9	2	200	

The above table depicts that out of the total 200 respondents 189 agreed to the fact that the 'User Friendly Atms' play a crucial role in the selection of a particular bank irrespective of the preference of the respondent for emotive or tactile factor as a more crucial decision.

FACTORS * BRAND NAME CROSS TABULATION

Count					
		Brand Name			Total
		STORONGLY AGREE	AGREE	CANT SAY	
Factors Emotive	24	47	33	104	
Tactile	13	55	28	96	
Total	37	102	61	200	

The above table depicts that, 139 respondents out of 200 considered 'Brand Name' to be an important factor in choosing a bank.

FACTORS * CONNECTIVITY CROSS TABULATION

Count						
		Connectivity				Total
		STORONGLY AGREE	AGREE	CANT SAY	DISAGREE	
Factors Emotive	8	70	25	1	104	
Tactile	46	48	2	0	96	
Total	54	118	27	1	200	

The cross tabulation depicts that 172 respondents out of 200 considered 'connectivity of Atm card with other banks' as an important selection criteria in choosing a bank to avail services.

FACTORS * REPUTATION CROSS TABULATION

Count						
		Reputation				Total
		STORONGLY AGREE	AGREE	CANT SAY	DISAGREE	
Factors Emotive	21	56	27	0	104	
Tactile	20	58	16	2	96	
Total	41	114	43	2	200	

The cross tabulation depicts that 155 respondents out of 200 considered 'Reputation' as an important selection criteria in choosing a bank to avail services from.

FACTORS * PERSONAL ATTENTION CROSS TABULATION

Count						
		Personal Attention				Total
		STORONGLY AGREE	AGREE	CANT SAY	DISAGREE	
Factors Emotive	29	55	20	0	104	
Tactile	12	36	41	7	96	
Total	41	91	61	7	200	

The cross tabulation depicts that 132 respondents out of 200 considered 'Personal Attention' as an important selection criteria in choosing a bank to avail services from.

FACTORS * NET BANKING CROSS TABULATION

Count							
		Net Banking					Total
		STORONGLY AGREE	AGREE	CANT SAY	DISAGREE	STRONGLY DISAGREE	
Factors Emotive	9	12	68	15	0	104	
Tactile	49	36	4	4	3	96	
Total	58	48	72	19	3	200	

This shows that out of 104 respondents who have chosen emotive factors to be more crucial only 21 agreed that 'Net Banking' is a important determinant.

FACTORS * PHONE BANKING CROSS TABULATION

Count						
		Phone Banking				Total
		STORNGLY AGREE	AGREE	CANT SAY	DISAGREE	
Factors Emotive	9	24	59	12		104
Tactile	59	31	4	2		96
Total	68	55	63	14		200

It clearly depicts that out of 104 respondents who have chosen emotive factors to be more crucial only 33 agreed that "Phone Banking" is an important determinant.

FACTORS * MARKETING EFFORTS CROSS TABULATION

Count							
		Marketing Efforts					Total
		STORNGLY AGREE	AGREE	CANT SAY	DISAGREE	STRONGLY DISAGREE	
Factors Emotive	10	12	64	16	2		104
Tactile	12	6	59	19	0		96
Total	22	18	123	35	2		200

It clearly depicts that 40 respondents out of 200 respondents has considered 'Marketing Efforts' an important determinant.

FACTORS * EASY LOAN CROSS TABULATION

Count							
		Easy Loan					Total
		STORNGLY AGREE	AGREE	CANT SAY	DISAGREE	STRONGLY DISAGREE	
Factors Emotive	6	18	65	15	0		104
Tactile	50	27	10	6	3		96
Total	56	45	75	21	3		200

The cross tabulation clearly depicts that 101 respondents out of 200 respondents has considered 'Easy Loan facility' an important determinant.

FACTORS * SUGGESTED BY FRIEND CROSS TABULATION

Count						
		Suggested by Friend				Total
		STORNGLY AGREE	AGREE	CANT SAY	DISAGREE	
Factors Emotive	22	78	2	2		104
Tactile	7	4	62	23		96
Total	29	82	64	25		200

The cross tabulation clearly depicts that 111 respondents out of 200 respondents has considered 'Suggested by Friend' an important determinant. It's also noticeable that out of 104 respondents who opted for emotive factors as crucial, 100 respondents agreed that above mentioned determinant is important.

SECTION B

A survey among 200 respondents was conducted all across the NCR region to determine the various factors that influence an individual banking selection decision. In the survey 88 female respondents and 112 male respondents were interviewed.

In the sample of 200 respondents from the NCR region it was found that 50 female respondents out of the total 88 preferred 'emotive factors' to be more crucial in the selection of a particular bank while 38 opted for 'Tactile Factors'. Of the total 112 male respondents 54 were found to consider 'emotive factors' to be more crucial in influencing an individual banking selection decision while 58 opted for 'tactile factors'. The basic questions formulated are:

✓ "Do the data reveal significant differences between the preferences of the male and female respondents as far as 'emotive factors' as well as tactile factors are considered in influencing an individual bank selection decision"? (Assumption: Level of significance 5% i.e. Z=1.96)

Ho: - Let us take the hypothesis that there is no significant difference between the preferences of the male and female respondents when considering 'emotive factors' as well as tactile factors.

The appropriate statistics to be used here is given by

$$Z = \frac{P1 - P2}{\sqrt{p(1-p)(1/n1 + 1/n2)}} \times \sqrt{1/2}$$

Where $p = \frac{n1P1 + n2P2}{n1 + n2}$

Z = 1.22

Since, $Z_{cal} < Z_{tab}$

Since, the **computed value of Z is less than the critical value of Z=1.96 at 5% level of significance, therefore null hypothesis is accepted.** Hence, we conclude that there is no significant difference in the preference of male and female respondents while considering the factors.

FINDINGS AND RECOMMENDATIONS

Thus, it is evident that though banking industry as a whole is growing yet there exists stiff competition among the different banks i.e. Private, Public & Foreign Banks. The following recommendations can be forwarded on the part of the respondents to the banks which can result in more efficient services and convenience to the customers.

- Public sector banks should concentrate on increasing the service level in terms of customer care, easy access and providing modern banking services like doorstep banking.

- Public Sector banks should emphasize on hassle free services. While discussing with the respondents it was found that still severe problems are faced by the people in terms of time , convenience etc. while availing the banking services.
- Public Sector Banks should concentrate on higher CSAT i.e. Customer satisfaction. Emergence of customer relationship building techniques by Private Sector Banks proves to be challenging for the Public Sector Banks.
- As a result of the survey it was found that respondents considered Public Banks to be more secured hence Private Banks should take care of this factor and must promote trust and security factor among the masses.
- Survey also indicated that both the emotive factors and tactile factors play a crucial role in the individual banking selection decision. However accessibility emerged out to be the most important determinant in an individual decision. Hence banks should focus on the accessibility factor.
- Banks should concentrate more on providing 'Net banking and Phone banking facility' to the customers.

CONCLUSION

Thus, the banking sector in India is undergoing major changes due to competition and the advent of technology. The customer is looking for better quality services which enhance his/her satisfaction. That why Banks should continually assess and reassess how customers perceive bank services so as to know whether the bank meets or exceeds or is below the expectations of their customers. Such an appraisal, however, is a tedious task because customer service is complex in nature and dynamic in action. Moreover, it can vary greatly from one branch to another. Also, what is 'good service' today may become 'indifferent service' tomorrow and 'bad service' the next day. Frequent customer surveys, therefore, throw light on ratification and refinement which will go a long way to improve the service quality in banks.

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DEMOGRAPHIC CHARACTERISTICS OF EMPLOYEES IN INFORMATION TECHNOLOGY INDUSTRY IN INDIA

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ABSTRACT

Human resource is the most vital factor in the process of development of an economy or an organisation. The term human resource refers to the knowledge, skills, creativities, abilities and talents. These attributes ultimately determine the efficiency and productivity of work-force. Thus, to attain such human resource, there must be emphasis on developing and nurturing a strategy-based on human resource development practices in the information technology organisations. Information technology industry needs highly skilled, talented and well-learned human resource. The success of IT/ITES, sector is basically due to skilled, efficient and energetic human resource in Indian information technology sector. In India, the other reason for the growth of information technology industry is the availability of English language proficient labour class. India is a nation of youth and majority of Indians nearly above fifty nine percent people in the age group of 15-60 years. The present paper deals with the detailed information of personal and demographic data of the employees, about age, sex, educational qualification, nature of job, marital status, background, work-experience, monthly income and nature of appointment of employees in information technology industry.

KEYWORDS

Chi-Square, Demographic Data, Educational Qualification, Human Resource, Information Technology.

INTRODUCTION

In highly skilled and knowledge intensive industries like information technology industry, human resource plays a vital role. This industry is highly competitive, dynamic and technical industry, whose growth and development depends upon its human resource much more strongly than other resources. This industry needs highly skilled, talented and well-learned human resource. The quality of products and services both depend upon the quality of human resource, which needs continuous and multiple-skill training. Thus, to attain such human resource, there must be emphasis on developing and nurturing a strategy-based on human resource development practices in the information technology organisations. For the success of information technology organisations, it is necessary that right person must be placed at right job and his potential must be enhanced through multiple and continuous training. Thus, this sector must give more emphasis on the development of human resources by prevailing upon different aspects of human resource development practices in their organisations. The success of IT/ITES, sector is basically due to skilled, efficient and energetic human resource in Indian information technology sector. In India, the other reason for the growth of information technology industry is the availability of English language proficient labour class.

REVIEW OF LITERATURE

Ganesan, P., V. Samuel Rajkumar and V. Saravanan (2002), studied the 'Determinants of Employee Relations Climate in Public Sector Undertakings.' The objectives of the study were to analyse the employees' relations climate and to identify the various employee attitudes. In the category of education - majority of employees are diploma holders, in the category of age - majority of employees are in the age of 51 years and above, in case of marital status - majority of employees are married, in case of experience - majority of employees have experience upto 10-13 years. The study revealed that by improving factors like working conditions, level of supervision, communication and worker's participation etc., a conducive climate can be achieved.

Kandu, Subhash C., Divya Malhan and Pardeep Kumar (2007) conducted a study on, 'Human Resource Management Practices in Shipping Companies: A Study.' The main objective of the study was to assess the human resource management practices being practiced in shipping companies. The present study is based on primary data gathered with the help of questionnaire comprising of three sections. The first section contained ten background questions and second section contained 22 statements about the human resources management practices. The third section contained 45 statements related to employee service orientation. Out of the sample of 250 respondents, 90 respondents were from Indian and 160 from multinational shipping companies. All respondent employees/officials were of Indian origin. However, all respondents were males in the sample, out of which 45.6 percent were married. The officers surveyed were comparatively younger. The average experience of the officers/employees was 8.29 years and average experience in the shipping company when they are surveyed was 4.25 years. The fresh officers were 54.40 percent, those who have changed the company two times 24.00 percent and those who have changed the company more than two times 18.80 percent and 2.80 percent did not report about the status of change. Data regarding 22 human resource statements was analyzed with the help of correlation and factor analysis. Study showed the correlations of 22 variables were almost significantly correlated.

Katuwal, Shyam Bahadur and Gurpreet Randhawa (2007) examine, 'Some Personnel Attributes in Association with Job Satisfaction of Industrial Workers of Nepal.' The present study is an attempt to assess the relation between personal attributes - age, gender, marital status, number of dependents, nature of employment, experience etc. and job satisfaction of the workers in Nepal. There is relatively positive association of job satisfaction with age, skill, permanent-employment status, experience and the worker's large additional income, whereas marital status and number of dependents have been found to be negatively associated.

OBJECTIVES OF PRESENT STUDY

The present paper "Demographic Characteristics of Employees in Information Technology Industry in India", deals with the detailed information of personal and demographic data of the employees about age, sex, educational qualification, nature of job, marital status, background, work-experience, monthly income and nature of appointment of employees in information technology industry. The main objective of this paper is to analysis the demographic trends in Indian information technology industry.

RESEARCH METHODOLOGY

The present study attempts to explore the practices of human resource development in various information technology organisations. The employees of information technology organisations covered in this study are - Tata Consultancy Services (TCS), Wipro Technologies, Infosys Technologies Ltd., Hindustan Computer Ltd. (HCL), Dell International, Birlasoft, Pyramid Consulting Inc., Quack Inc., Semi-Conductor Laboratory (SCL Ltd), Alcatel-Lucent Technologies, Attra, Kanbay International Inc. and Omnia Technologies from Delhi, Bangalore, Pune, Chandigarh, Mohali respectively. Through detail questionnaire the implementation of human resource development practices in information technology organisations, have been estimated. An effort has also been made to measure the human resource development climate in information technology organisations. The sample-size of five hundred employees has been taken in this study. The questionnaire has been divided into three parts. Part (a) includes detailed information of personal and demographic data of the employees, about age, sex, educational qualification, nature of job, marital status, background, work-experience, monthly income and nature of appointment of employees in information technology industry. Part (b) includes various aspects of human resource development - selection, training, performance and promotion, transfer,

wages and compensation, relation among employees, health and welfare policies, which are practiced in information technology industry. Part (c) consists of human resource development climate survey. It includes ten dimensions with 54 items. It observes the satisfaction level of employees with the prevailing human resource development climate in the selected organisations.

DEMOGRAPHIC CHARACTERISTICS OF EMPLOYEES IN INFORMATION TECHNOLOGY INDUSTRY

Followings are the demographic characteristics of employees, covered in the survey -

- Age of Employees:** India is a nation of youth and majority of Indians belong to this group. In India there are nearly above fifty nine percent people in the age group of 15-60 years. They are also known as working population. Higher proportion of working young population is a good indicator for the growth of Indian economy. Young population, have good or excellent stamina to do work efficiently and effectively and they are also dynamic by nature who change, as the nature of the organisation changes.

TABLE 1: AGE OF EMPLOYEES

Age of Employee	<20yrs	20-30yrs	30-40yrs	>40yrs	Total
No. of Employees	10	359	130	1	500
Percentage	2	71.8	26	0.2	100

Source: Primary Survey

H₀: No. of employees in various age groups are equal

H₁: No. of employees in various age groups are not equal

Chi-square (χ^2_{Test}) (Calculated value) = 667.056

(χ^2_{α}) (Tabulated value)=11.3449

d.f. = 3

χ^2 is significant at 1% level

Table 1 depicts that in Indian information technology industry, near about 71.8 percent employees are in the age group of 20-30 years, whereas 26 percent employees are in the age group of 30-40 years. It means that in Indian information technology industry, majority of employees are that is 97.8 percent are in the age group of 20-40 years. Data from the above table reveals that, just two percent employees are even less than the age of twenty years and point two percent employees are of more than forty years. In our survey ($\chi^2_{Test}= 667.056$) > ($\chi^2_{\alpha}=11.3449$) means calculated value is greater than tabulated value, so null hypothesis is rejected and it is significant at 1% level. It shows that the number of employees in various age groups is not equal.

- Sex of Employees:** In information technology industry, there is majority of male employees as compared to female employees. It means that there is a wide gender gap between male and female employees.

TABLE 2: SEX OF EMPLOYEES

Sex	Male	Female	Total
No. of Employees	391	109	500
Percentage	78.2	21.8	100

Source: Primary Survey

H₀: No. of employees of different sex groups are equal

H₁: No. of employees of different sex groups are not equal

Chi-square (χ^2_{Test}) (Calculated value) = 159.048

(χ^2_{α}) (Tabulated value)=6.63490

d.f. = 1

χ^2 is significant at 1% level

Table 2 reveals that near about 78.2 percent male employees are employed in information technology industry, whereas just 21.8 percent female employees are employed in this industry, which is much lower as compared to male employees. Participation of female employees is lower as compared to male employees in this industry in India, due to economic factors as well as other factors like cultural, social and ideological factors, or they also play a vital role in the determination of participation of female employees in information technology industry. Another reason may be that in information technology industry especially in BPO-ITES, there are night shifts because of 365x24x7 services of the organisations. Long-working hours are also, another hindrance, for the low participation of female employees. Survey shows that ($\chi^2_{Test} = 159.048$) > ($\chi^2_{\alpha}=6.63490$), the H₁ is accepted and Chi-square is significant at 1% level. It means the number of employees of different sex groups is not equal. There is low participation of female employees as compared to male employees in information technology organisations.

- Educational Qualification of Employees:** Education, training and skill acquisition is one of the key features of employees in the information technology industry. The information technology industry being a knowledge-based industry, entry to the labour market in this sector is restricted to the employable people with at least minimum level of education in general or technical education.

TABLE 3: GENERAL EDUCATIONAL QUALIFICATION

Edu. Qualification (General)	U.G.	Graduates	P.G.	Total
No. of Employees	2	49	44	95
Percentage	2.11	51.58	46.32	100

Source: Primary Survey

H₀: No. of employees having different general education are equal

H₁: No. of employees having different general education are not equal

Chi-square (χ^2_{Test}) (Calculated value) = 41.66

(χ^2_{α}) (Tabulated value)=9.21034

d.f. = 2

χ^2 is significant at 1% level

TABLE 4: TECHNICAL EDUCATIONAL QUALIFICATION

Edu. Qualification (Technical)	BCA	MCA	B-TECH	M-TECH	MBA	Other	Total
No. of employees	100	147	89	38	29	2	405
Percentage	24.69	36.30	21.98	9.38	7.16	0.49	100

Source: Primary Survey

H₀: No. of employees having different technical education are equal

H₁: No. of employees having different technical education are not equal

Chi-square (χ^2_{Test}) (Calculated value χ^2) = 212.99

(χ^2_{α}) (Tabulated value)=15.0863

d.f. = 5

χ^2 is significant at 1% level

In this survey, employees have been categorized into two categories of education that is general and technical education. In information technology industry most of employees are technically qualified people. Out of five hundred sample-sizes of employees, ninety five employees are with general qualification, whereas 405 employees are with technical qualification. General education includes arts, commerce and science faculty with B.A., M.A., B.Com, M.Com, B.Sc., M.Sc., etc., whereas technical education includes B.C.A, M.C.A, B-tech, M-tech, M.B.A, PGDCA, M.Sc. (IT) etc. In general education 51.58 percent, 46.32 percent and 2.11 percent employees are graduate, post-graduate and under-graduate, whereas in technical education 36.30 percent employees are MCA, 24.69 percent are BCA, 21.98 percent are B-Tech, 9.38 percent are M-tech, 7.16 percent are MBA and point forty nine percent are of other qualification like Diploma in Computer Science or P.G. Diploma in Computer Applications etc. It proves that in information technology industry most of the employees are technically skilled employees.

General education depicts, $(\chi^2_{Test} = 41.66) > (\chi^2_{\alpha} = 9.21034)$, so null hypothesis is rejected and alternative hypothesis is accepted. It means employees with different general education are not equal. This test is significant at 1% level. Again in technical education $(\chi^2_{Test} = 212.99) > (\chi^2_{\alpha} = 15.0863)$, which means number of employees having different technical education are not equal. Alternative hypothesis is accepted and it is significant at 1% level.

4. **Background of Employees:** Most of information technology organisations are located in metro cities, like National Capital Region (Delhi), Mumbai, Bangalore etc. It is because of availability of good infrastructure as well as skilled employees in these areas.

TABLE 5: BACKGROUND OF EMPLOYEES

Background	Rural	Urban	Total
No. of employees	74	426	500
Percentage	14.8	85.2	100

Source: Primary Survey

H₀: No. of employees of different background are equal

H₁: No. of employees of different background are not equal

Chi-square (χ^2_{Test}) (Calculated value) = 247.808

(χ^2_{α}) (Tabulated value) = 6.63490

d.f. = 1

χ^2 is significant at 1% level

Table 5 shows that most of the employees engaged in information technology industry are having urban background. A majority of employees that is 85.2 percent are of urban background and on the other hand just 14.8 percent employees are of rural background. In background of employees again $(\chi^2_{Test} = 247.808) > (\chi^2_{\alpha} = 6.63490)$, so it is significant at 1% level. H₁ is accepted which means the number of employees from different background that is from urban and rural areas, are not equal. There are majority of urban background employees.

5. **Marital Status of Employees:** Marriage is an important custom of Indian society. In traditional Indian society, people used to get married at early age but now the trend has been changed. Now, people don't believe in early age marriage. They are career conscious now. With the spread of education particularly among females, the trend of early marriage is declining and the same is reflected in our study findings.

TABLE 6: MARITAL STATUS OF EMPLOYEES

Marital Status	Married	Unmarried	Total
No. of employees	199	301	500
Percentage	39.8	60.2	100

Source: Primary Survey

H₀: No. of employees of having different marital status is equal

H₁: No. of employees of having different marital status is not equal

Chi-square (χ^2_{Test}) (Calculated value) = 20.808

(χ^2_{α}) (Tabulated value) = 6.63490

d.f. = 1

χ^2 is significant at 1% level

Table 6 shows that just 39.8 percent employees are married and 60.2 percent employees are unmarried. It means, a majority of employees are unmarried. In marital status, $(\chi^2_{Test} = 20.808) > (\chi^2_{\alpha} = 6.63490)$, so it is significant at 1% level. H₀ is rejected and H₁ is accepted. It means that the numbers of employees having different marital status are not equal.

6. **Nature of Job of Employees:** In any type of organisations, there is need for various employees having different skills. Nature of job can be classified as follows – technical, non-technical, managerial and others like administrators, allied services providers including – clerks, peons, secretaries, P.A. and maintenances staff etc. In our study, we have even included the security staff because they are an integral part of the organisations. They are good observers as well as good informers. They also play a vital role in the security of the organisations through collecting the information and identification of the visitors. Even some time in large scale organisations visitors are also checked by security staff.

TABLE 7: NATURE OF JOB OF EMPLOYEES

Nature of job	Technical	Non-technical	Managerial	Others	Total
No. of Employees	374	95	29	2	500
Percentage	74.8	19	5.8	0.4	100

Source: Primary Survey

H₀: No. of employees in different nature of jobs are equal

H₁: No. of employees in different nature of jobs are not equal

Chi-square (χ^2_{Test}) (Calculated value) = 697.968

(χ^2_{α}) (Tabulated value) = 11.3449

d.f. = 3

χ^2 is significant at 1% level

Table 7 reveals that majority of employees are engaged in technical department that is near about 74.8 percent, whereas, in non-technical, managerial and other department, 19 percent, 5.8 percent and 0.4 percent employees are engaged. Information technology industry is a technical industry and hence needs more technical employees as compared to others. Here, $(\chi^2_{Test} = 697.968) > (\chi^2_{\alpha} = 11.3449)$, so H₁ is accepted which means number of employees in different nature of job are not equal. It is significant at 1% level.

7. **Work Experience of Employees:** In information technology industry, a majority of young employees are employed. Many employees have just completed their graduation and post graduation at early age and also get job early. In BPOs most of employees have just completed their +2 or graduation at the age of 19-20 years.

TABLE 8: WORK EXPERIENCE OF EMPLOYEES

Work Exp.	<5 yrs	5-10yrs	10-20yrs	20-30yrs	>30yrs	Total
No. of employees	308	152	38	2	-	500
Percentage	61.6	30.4	7.6	0.4	-	100

Source: Primary Survey

H₀: No. of employees having different experienced are equal

H₁: No. of employees having different experienced are not equal

Chi-square (χ^2_{Test}) (Calculated value) = 694.16

(χ^2_{α}) (Tabulated value) = 13.2767

d. f. = 4

χ^2 is significant at 1% level

Table 8 shows, that there is no employee having more experience than thirty years. On the other hand, a large number of employees that is 61.6 percent are having experience less than five years, 30.4 percent of employees are having experience between five to ten years and 7.6 percent of employees are having experience ten to twenty years. Out of five hundred employees just two employees have experience between twenty to thirty years. Our survey reveals that near about 92.0 percent employees having experience between one to ten years. There may be senior employees are having experience more than 30 years but they did not participate in this survey. Some of them directly refused to take participation in our survey. Data reveals that, ($\chi^2_{Test} = 694.16$) > ($\chi^2_{\alpha} = 13.2767$) so, alternative hypothesis is accepted, whereas null hypothesis is rejected. It shows that number of employees in various work experience categories is different from each other. This test is significant at 1% level.

8. Monthly Income of Employees: Salary in the software industry is one of the most flexible feature and at the same time one of the most closely guarded secret in the industry. There are no fixed norms regarding the wage payment made to the employees. Information technology industry provides one of the highest salary levels in comparison to any other sector for same level of skills. The salary level in this sector has ushered in a new class of young urban upwardly mobile group of information technology employees. The high rates of salary in the industry are attracting workers from other sectors.

TABLE 9: MONTHLY INCOME OF EMPLOYEES

Monthly Income	Not disclosed (Rs.000's)	<20 (Rs.000's)	20-30 (Rs. 000's)	30-40 (Rs. 000's)	>40 (Rs. 000's)	Total
No. of Employees	266	43	64	76	51	500
Percentage	53.2	8.6	12.8	15.2	10.2	100

Source: Primary Survey

H₀: No. of employees having different monthly income are equal

H₁: No. of employees having different monthly income are not equal

Chi-square (χ^2_{Test}) (Calculated value) = 350.78

(χ^2_{α}) (Tabulated value) = 13.2767

d.f. = 4

χ^2 is significant at 1% level

Table 9 depicts, that the large number of employees did not disclose their monthly salaries. It means 53.2 percent of employees did not give any idea regarding their monthly salaries. The 15.2 percent of employees are getting salary between the ranges of Rs. 30-40 thousand per month. Approximately 12.8 percent and 10.2 per cent of employees are getting their monthly salaries between the range of Rs. 20-30 thousand and more than Rs. 40 thousand per month. Near about 8.6 percent employees are getting their salaries less than Rs. 20 thousand per month. It shows that ($\chi^2_{Test} = 350.78$) > ($\chi^2_{\alpha} = 13.2767$), so null hypothesis is rejected and alternative hypothesis is accepted. All employees in information technology organisations, having different monthly income and chi-square are significant at 1% level.

9. Nature of Appointment: Information technology sector in India is well organized sector which includes – public sector, private sector and MNCs. Though information technology industry is primarily in private sector, the nature of appointment in information technology sector is similar to that in the public sector. Some of employees are permanent, trainees, trainee and likely to be permanent and purely temporary. In information technology industry most of the employees are permanent because this industry spends a lot of resources and time on its employees by providing training and development. It is in the interest of organisations to have permanent employees.

TABLE 10: NATURE OF APPOINTMENT

Nature of Appointment	No. of Employees	Percentage
Trainee	30	6
Trainee & likely to be permanent	91	18.2
Permanent	335	67
Purely temporary	44	8.8
Total	500	100

Source: Primary Survey

H₀: No. of employees having different nature of appointment are equal

H₁: No. of employees having different nature of appointment are not equal

Chi-square (χ^2_{Test}) (Calculated value) = 486.68

(χ^2_{α}) (Tabulated value) = 11.3449

d.f. = 3

χ^2 is significant at 1% level

Table 10 reveals, that 67 percent of employees are permanent and 18.2 percent are trainees and likely to be permanent. The 8.8 percent employees are purely temporary and 6 percent employees are just trainees. It means that 85.2 percent employees are permanent in the nature of appointment. Here, ($\chi^2_{Test} = 486.68$) > ($\chi^2_{\alpha} = 11.3449$), so alternative hypothesis is accepted. It means numbers of employees having different nature of appointment are not equal. Most of them are permanent. Hence, chi-square is significant at 1% level.

CONCLUSION

Thus it can be calculated that in information technology sector, most of young and technical skilled people are employed belonging to urban-areas and majority of them are male employees. The participation of women employees is relatively lower because of socio constraints, night-shifting, long-working hours and highly challengeable nature of jobs. Data reveals that in this industry majority of employees are unmarried. The nature of the job of most of employees is technical. In this industry majority of employees are young, so majority of them have experience less than five years. The monthly income of employees in information technology organisations is very high as well as flexible, which differs from location to location and varies with size of organisations and skill of employees. Large organisations are offering high salaries and benefits to their workers as compared to their smaller counterparts. In this survey maximum

employees do not disclose their monthly income. Most of employees are permanent in nature of appointment, because industry spends a large amount of resources on the training of their employees.

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IMPACT OF ANIMATION ON CHILDREN

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ABSTRACT

Children are the target buyers for many products in a market. The marketers continue to take efforts to find effective ways of reaching them with their marketing communication. Obviously electronic media is a powerful and apt one to reach out to them. Media in its good side, it can be entertaining and educational, and it can open up new worlds for kids, giving them a chance to travel the globe, learn about different cultures and gain exposure to ideas they may never encounter in their own community. The positive role models in reality or in imagination used in the programs for Children influence them very positively. However, the reverse is also true. Yes, Children learn a lot through media which parents do not want them to learn. This article details the meaning, evolution of animation and the ways to prepare the same. Understanding the impact of animation on the buying behaviour and approach of the children will certainly enable the marketers to design their strategies very appropriately. In fact, using animation in the advertisements, meant for children has been very effective in the creation of brand awareness and liking among them. The primary aim of the study is to analyse the impact of animation on children and how it influences them in various ways.

KEYWORDS

Animation; Cartoons; Film Genres; Shrek; Finding Nemo; Ice Age.

INTRODUCTION

Children are the human resources of a country and investing in them is among the most prudent investments a nation can make in its future. In India, children below 15 years of age constitute almost half the country's population. Media could provide for reaching support to children all over the country. Media can provide information to children on variety of subjects. Media has the power to reach out to search a vast number of children at a particular time that it can be used widely in developing various vocational skills among the children. Media has its good side. It can be entertaining and educational, and can open up new worlds for kids, giving them a chance to travel the globe, learn about different cultures and gain exposure to ideas they may never encounter in their own community. Programs with positive role models can influence people to change their behaviour for the better. However, the reverse can also be true: kids are likely to learn things from media that parents don't want them to learn.

It is worthwhile for parents to think about what role they want media to play in their family. Consider:

- A great deal is known about children and media because there have been thousands of studies on the subject. Researchers have studied how media affects kids sleep, weight, grades, behaviour, and more. It is worth looking at what the research says when deciding how to manage media in a family.
- Spending time watching television or films can take time away from healthy activities like active play outside with friends, eating dinner together as a family, or reading. T.V. time also takes away from participating in sports, music, art or other activities that require practice to become skillful.
- Film viewing starts earlier than other forms of media- often beginning before age two. In recent years, video and DVD programs geared to babies and toddlers have come into the market and now even a cable channel for kids. Researchers are still trying to find out the effect film viewing by kids may have on their development. Time spent watching films replaces time spent interacting with care givers and other children.

This study aims to show the impact of animated films on children and how these films have influenced them in various ways. Do children react to media violence? It depends upon the emotional maturity and the level of learning ability of each child.

'ANIMATION' - MEANING

It is the rapid display of a sequence of images of 2D artwork or model positions in order to create an illusion of movement. It is an optical illusion of motion due to the phenomenon of persistent of vision. This could be anything from a flip book to a motion picture film.

'CARTOONS' - MEANING

In 1906, Vitagraph released the first animated film in the United States, Humorous Phases of Funny Faces, by cartoonist James Stuart Blackton. It featured a series of faces, letters and words being drawn. This rudimentary foundation encouraged other cartoon pioneers, including Emil Cohl and Winsor McCay. Cohl produced Drame Chez Les Fantoques (a drama in Fantochi's House, 1908), a film more like modern classics, both funny and with a well developed plot. McCay's Little Nemo (1911), the first fully animated film, was based on his newspaper comic strip. His Gertie the Dinosaur (1941) was the first to use frame by frame animation, which produced fluid motion pictures, the cartoons were silent.

HISTORY OF ANIMATION

The advent of film technology opened opportunities to develop the art of animation. The basic animation process is described in the article Animation, and the Classic, Hand-drawn technology in traditional animation. At first, animated cartoons were black and white and silent. Felix the cat is a notable example. The first cartoon with synchronized sound is often identified as Walt Disney's Steamboat Willie, starring Mickey Mouse in 1928, but Max Fleischer's 1926 My Old Kentucky Home is less popularly but more correctly credited with this innovation. Fleischer also patented rotoscoping, whereby animation could be traced from a live action film. With the advent of sound film, musical themes were often used. Animated characters usually performed the action in 'loops', i.e., drawings were repeated over and over, synchronized with the music.

Disney also produced the first full-color cartoon in Technicolor, "Flowers and Trees", in 1931, although other producers had earlier made films using inferior, 2-color processes instead of the 3-color process offered by Technicolor. Later, other movie technologies were adapted for the use in animation, such as multi-plane cameras, stereophonic sound in Disney's Fantasia in 1941, and later, wide screen processes (e.g. Cinemascope), and even 3D.

Today, animation is commonly produced with computers, giving the animator new tool not available in hand-drawn traditional animation. However, many types of animation cannot be called "cartoons", which implies something that resembles drawings. Most forms of 3D computer animation, as well as clay animation and other forms of stop motion filming are not cartoons in the strict sense of the world.

Early examples of attempts to capture the phenomenon of motion into a still drawing can be found in Paleolithic cave paintings, where animals are depicted with multiple legs in superimposed positions, clearly attempting to convey the perception of motion. The phenakistoscope, zeotrope and praxinoscope as well as the common flip book, were early animation devices to produce movement from sequential drawings using technological means, but animation did not really develop much further until advent of motion picture film. The first animated cartoon (in the traditional sense, i.e., on film) was "Fantasmagorie" by the French director Emile Cohl. It was released in 1908. One of the very first successful animated cartoons was "Gertie the Dinosaur" by Winsor McCay. It is considered the first example of true character animation.

In the 1930's to the 1960's, theatrical cartoons were produced in huge numbers, and usually shown before a feature film in a movie theatre. MGM, Disney and Warner Brothers were the largest studios producing these 5-10 minutes 'shorts'. Competition from television drew audiences away from movie theatres in the late 1950's, and the theatrical cartoon began its decline. Today, animated cartoons are produced mostly for television.

TYPES OF FILM GENRES

Film genres are various forms or identifiable types, categories, classification or groups of films that are recurring and have similar, familiar or instantly-recognizable patterns, syntax, filmic techniques or conventions-that include one or more of the following: settings (and props), content and subject matter, themes, mood, period, plot, central narrative events, motives, styles, structures, situations, recurring icons (e.g.: six-guns and ten-gallon hats in Westerns), stop character (or Characterizations) and stars. Many films straddle several film genres. The various types of film genres are Action, Adventure, Comedy, Crime, Drama, Historical, Horror, Musical, Science fiction, War and Western Genres.

ANIMATION GENRE

Animated films are ones in which individual drawings, paintings, or illustrations are photographed frame by frame (stop-frame cinematography). Usually, each frame differs slightly from the one preceding it, giving the illusion of movement when frames are projected in rapid succession at 24 frames per second. The earliest cinema animation was composed by frame by frame, hand-drawn images. When combined with movement, the illustrator's two-dimensional static art came alive and created pure and imaginative cinematic images- animals and other inanimate objects could become evil villains or heroes.

Animations are not a strictly-defined genre category, but rather a film technique, although they often contain genre-like elements. Animation, fairy tales, and stop-motion films often appeal to children, but it would marginalize animations to view them only as "children's entertainment". Animated films are often directed to, or appeal most to children, but easily can be enjoyed by all.

COMPUTER ANIMATION

It is the art of creating moving images via the use of computers. It is a subfield of computer graphics and animation. Increasingly it is created by means of 3D computer graphics, though 2D computer graphics are still widely used for low bandwidth and faster real-time rendering needs. Sometimes the target of the animation is the computer itself, but sometimes the target is another medium, such as film. It is also referred to as CGI (computer generated imagery/imaging), especially when used in films.

To create the illusion of movement, an image is displayed on the computer screen, then quickly replaced by a new image that is similar to the previous image, but shifted slightly. This technique is identical to how the illusion of movement is achieved with television and motion pictures. Computer animation is essentially a digital successor to the art of stop motion, animation of 3D models and frame by frame animation of 2D illustrations. For 3D animations, objects (models) are built on the computer monitor (modeled) and 3D figures are rigged with a virtual skeleton. For 2D figure animations, separate objects (illustrations) and separate transparent layers are used, with or without a virtual skeleton. Then the limbs, eyes, mouth, clothes etc. of the figure are moved by the animator on key frames. The differences in appearance between the key frames are automatically calculated by the computer in a process known as 'tweening' or 'morphing'. Finally, the animation is rendered.

DIFFERENT TYPES OF ANIMATION

There are many different types of animations that are used in the present day world. The three main ones are Clay animation, Computer animation and Plain animation. All of them have their own distinct uniqueness. The most common type of animation is drawn on cells and is 2D. Later, the 3D animation of clay animation was created. And recently, the most popular type of animation is computer animation.

CREATING ANIMATION

There are four major processes to make an animation. They are discussed below:

(i) Development of ideas and story

First of all, there must be an idea to base the animation on. When an idea is developed, the characters and stories are further explored and expanded upon. The directors of an animation would then come out with a script; and later a storyboard where thumbnails of major scenes are sketched with captions to elaborate on it. The soundtracks used in the animation are also created at this point of time.

(ii) Sketching and Drawings

In the second stage, a chief animator would draw out the key frames of the animation. Key frames are significant scenes in the story that shows the essential action that led to the development of the story, so that the assistants or junior animators can use it as a base and fill in the scenes in between so that motions would flow smoothly. This process done by junior animators is commonly known as 'inbetweening' or 'tweening'. The picture will be taken through a pencil test, where the drawings are animated without any frills. Only then it is linked and coloured on. Finally, the different sheets of cells will be cleaned and polished in preparation for screening.

(iii) Putting it all together

The third stage is where all the cells and pieces of art are compiled together and screened. There are different ways of screening the animation, one is by using a camera and screen the fast flipping of pages, while another is by scanning the different pages and then put them together to form the movie. In these modern days, it is more practical to use the latter method. At this stage, the sound and the music of the animation is also recorded to match the pictures perfectly.

(iv) Editing

Finally, the film is now edited carefully and final touches are made to make sure it has the maximum effect.

ANIMATION IN INDIA

India's animation sector is witnessing a major boom. Overseas entertainment giants like Walt Disney, IMAX and Sony are increasingly outsourcing cartoon characters and special effects to India. Other companies are outsourcing animation from India for commercial and computer games.

IMPACT OF ANIMATED MOVIES ON CHILDREN

This illustrates the key significance of film consumption, for how children view the world. The role of the children themselves is also unclear at first glance. They rarely appear in the films as themselves, but are often represented by animals hemmed in by the world of adult humans. Due to a lack of social standing and power, the animals have to work together, relying on courage and ingenuity to help one another out of awkward situations. In contrast, the children were explicitly critical of damage caused to the environment, which was a central theme in several films.

OBJECTIVES OF THE STUDY

The following are the objectives of the study:

- To find out how animated films have an impact on children.
- To find out if animated films influence the attitude, behaviour and overall character of children.
- To determine the reasons for viewing animated films on the basis of parameters like entertainment, education/information, graphical presentation & peer pressure.
- To find out how much time children spend in watching animated films.
- To find out if boys have a different level of understanding and influence of imitating from girls.
- To determine the recall of animated characters by children.
- To find out if the animated films influence the buying decisions of children.

SCOPE OF THE STUDY

This study is expected to be useful to film makers and marketers of various accessories based on animated movies. This study will enable them to understand what children prefer to see in an animated film, what children require in the accessories they choose and what influences them. This research will be useful for researchers who would like to conduct a study on animated films and their effects on children and researchers who might want to find the relationship between a child's age, viewing habits and influence.

LIMITATIONS OF THE STUDY

The following are the limitations of this study:-

- The study is limited to school going children in Trivandrum, Kerala.
- The age group of the children among whom the study is done is limited from 7 years to 15 years.
- Another limitation of the study is that the focus is only on three animated films- "Shrek"; "Finding Nemo"; and "Ice Age".
- The population size of 240 children does not represent the entire effect.
- Time constraint- this is a six months research study only.

DOMAINS OF INFLUENCE

Research studies have identified the following domains of influence in which media content has been shown to have negative effects on children: violence and aggressive behavior, sexual content, use of cigarettes and alcohol, body image and self-esteem, and physical health and school performance.

- Violence and aggressive behaviour:

The question of violence in the media and its influence on children is probably the most widely researched domain of media influence. Studies over a span of three decades, beginning in the early 1970's, have shown that significant exposure to media violence increases the risk of aggressive behavior in certain children and adolescents. Other effects on children include desensitization to other's pain and suffering and the tendency to be fearful of the world around them, viewing it as a dangerous place. Research has also shown that news reports of violent crimes can traumatize young children. Children learn their attitudes about violence at a very young age and these attitudes tend to last. Although, media violence has been studied the most, researches are finding that violence in other media impacts children and teens in many of the same harmful ways. From media violence children learn to behave aggressively towards others. They are taught to use violence instead of self control to take care of problems or conflicts. Violence in the 'media world' may make children more accepting of real world violence and less caring towards others. Children who see a lot of violence from movie, TV shows, or video games may become more fearful and look at the real world as a mean and scary place. Although the effects of media on children might not be apparent right away, children are being negatively affected. Sometimes children may not act out violently until their teen or young-adult years.

- Sexual content :

Increased attention has been given to the second domain, sexual content in the media. The sexualization of American media has become the focus of widespread discussion and criticism by children's advocates. According to studies commissioned by the Kaiser Family Foundation collectively labelled "Sex, Kids, and the Family Hour," there was a 400 percent increase from 1976 to 1996 in sexual references during the evening television viewing time period commonly referred to as "family hour". It was determined that by 1996 children were exposed to about eight sexual references per hour during this time slot. In Media, Children, and the Family, Jennings Bryant and Steven Rockwell reported the results of their studies that investigated the effects of exposure to sexual content on television. They found that such exposure affected adolescents' moral judgement. They qualified the results, however, by saying that parental discussion and clear expression of personal values mitigated the effects on adolescents.

- Body image and self-esteem:

The third domain, body image and self-esteem, is widely affected by advertising in the media. Researchers have suggested that media may influence the development of self-esteem in adolescents through messages about body image. Television, movies, magazines, and advertisement present images that promote unrealistic expectations of beauty, body weight, and acceptable physical appearance. Efforts to sell an image that adheres to certain standards of body weight and size may be a catalyst for eating disorders suffered by some adolescents. And, when adolescents fall short of their own expectations based on media images, self-esteem can suffer. Media theorists and researchers have determined that the effects of this trend are being seen in both boys and girls, with negative psychological effects. Advertisement of appealing, but often financially unaffordable clothing and promotion of negative gender stereotypes are other areas of concern. Further research on the connections among media messages, body image, and self-esteem is warranted.

- Fatty foods and thin bodies:

Media heavily promotes unhealthy foods while at the same time telling people they need to lose weight and be thin. Heavy media use can also take time away from physical activity. Studies show that girls of all ages worry about their weight. Many of them are starting to diet at early ages. Media can promote an unrealistic image of how people look. Often, the thin and perfect-looking person on screen or in print is not even one whole person but, parts of several people! This "person" is created by using body doubles, air brushing and computer graphics techniques.

- Physical health and school performance:

The fourth domain involves the amount of time that children spend engaged with media activities. The average American child or adolescent spends more than twenty hours per week viewing television. Additional time is often spent watching movies, listening to music, watching music videos, playing video or computer games, or spending computer time on the Internet. This increase in time spent by children using media for recreation has been shown to be a significant factor in childhood obesity due to associated physical inactivity. School achievement may also be affected as a result of decreased time spent on homework or school assignments. And parents often unintentionally contribute to this negative influence by using the television as a way to occupy their children's attention as a babysitter of sorts. Educators have expressed concerns that the passive nature of media exposure undermines the ability of students to be active learners. Conversely, there have been concerns that over stimulation due to excessive media use might be related to attention deficit disorder or hyperactivity. There has been no research to date that indicates a clear relationship.

- Use of cigarettes and alcohol:

Messages about tobacco and alcohol are everywhere in media. Kids see characters on screen smoking and drinking. They see signs for tobacco and alcohol products at concerts and sporting events. Advertising and movies send kids the message that smoking and drinking make a person sexy or cool and that 'everyone does it'. Advertising also says teens to smoke and drink. Teens who see a lot of ads for beer, wine, liquor and cigarettes admit that it influences them

to want to drink and smoke. It is not by chance that the three most advertised cigarettes brands are also the most popular ones smoked by teens. Advertisers of tobacco and alcohol purposely leave out the negative information about their products. As a result, young children often do not know what the health risks are when they use these products. For example, a magazine might do a story about the common cause of cancer but not mention smoking as top cause. The magazine publisher takes money to publish tobacco ads or even owns another company that make cigarettes. Increasingly, tobacco, alcohol, and illicit drugs have been glamorized in the media. Tobacco manufacturers spend \$6 billion per year and alcohol manufacturers \$2 billion per year in advertising that appeals to children. Movies and television programs often show the lead character or likeable characters using and enjoying tobacco and alcohol products. On the other hand, media also provide factual information and venues for discussion, typically through public service announcements or through public programming, informing children and warning them of the dangers of addictions to these substances. These educational messages, however, are on a much smaller scale and are much less appealing in their presentation.

ANIMATED FILMS CONVEY MESSAGES TO CHILDREN

A lot of new animated films for children give wide ranging insight into how they see the world around them. As part of an extensive project run by Zoom Children's Museum in Vienna and Austria children were offered the opportunity to make their own animated films.

The children took part in a number of workshops and now the completed films are being interpreted as part of an Austrian Science Fund initiative. Initial results indicated that the younger generation is in two minds about technological progress and is extremely worried about our impact on the environment. However, where technical progress was regarded as both the root cause of, and solution to problems, fear and worry were dominant feelings where man's impact on the environment and the labour market were concerned.

DECODING THE MESSAGE

The information contained in the children's films were not always immediately identifiable but had to be 'decoded', as principle investigator Dr. Alexander Pollak explained " technological progress, for example, is often depicted in these films in the form of spaceships and linked to the USA.

In a project, a total of over workshops were observed and 200 animated films were subjected to detailed analysis. Workshop participants included primarily young school grammar pupils, but pupils from main stream secondary schools were also involved, all of whom worked in small groups to create their films. A specially equipped film lab and a specially developed computer animation program were made available to them. The project '2D movies as the media of world views of children' explored the world through the eyes of children aged 8-14 years.

Movie viewing may replace activities that help with school performance, such as reading, doing homework, pursuing hobbies and getting enough sleep. One research study found that movies' effects on education were long term. The study found that watching movies as a child affected educational achievement at the age of 6. Watching more movies in childhood increased chances of dropping out of school and decreased chances of getting a college degree, even after controlling for confounding factors.

ANIMATED FILMS SELECTED FOR THIS STUDY

The following three films have been selected to conduct the study:

1. Finding Nemo
2. Shrek
3. Ice Age

PLOTS OF THE MOVIES SELECTED

1. FINDING NEMO

Finding Nemo is a 2003 CGI (computer generated images) animated film. It was written by Andrew Stanton, directed by Stanton and Lee Unkrich and produced by Walt Disney Pictures and Pixar Animation Studios. It tells the story of the overly protective clownfish Marlin (Albert Brooks), who along with a regal tang called Dory (Ellen DeGeneres), searches for his son Nemo (Alexander Gould). Along the way he learns to take risks and that his son is capable of taking care of himself.

The film received overwhelmingly positive reviews and won the Academy Award for Best Animated Feature. It was a financial blockbuster as it grossed over \$864 million worldwide. It is the best-selling DVD of all time, with over 40 million copies sold as of 2006 and is the highest grossing G-rated movie of all time. In 2008, the American Film Institute named it the tenth greatest animated film ever made during their 10 Top 10.

2. SHREK

Shrek is a 2001 computer – animated American comedy film, directed by Andrew Adamson and Vicky Jensen, and starring the voices of Mike Myers, Eddie Murphy, Cameron Diaz, and John Lithgow. Based on William Steig's 1990 fairy tale picture book *Shrek!*, the film was produced by Dream Works Animation. Shrek was the first film to win an Academy Award for Best Animated Feature, a category introduced in 2001. It was released on DVD and VHS on September 4, 2001.

The film stars Mike Myers as a large, strong, solitude-loving, intimidating ogre named Shrek, from the German word "Schreck" meaning "terror" or Yiddish word meaning "fear". Shrek also features Cameron Diaz as the beautiful but very down-to-earth and feisty Princess Fiona, Eddie Murphy as a talkative donkey named Donkey, and Lithgow as the villainous Lord Farquaad.

3. ICE AGE

Ice Age is a feature-length computer-animated film created by Blue Sky Studios and released by 20th Century Fox in 2002. It was directed by Carlos Saldanha and Chris Wedge from a story by Michael J. Wilson. Its sequels are called Ice Age: The Meltdown (2006) and Ice Age: Dawn of the Dinosaurs (2009). The film was originally to be directed by Don Bluth and Gary Goldman, and produced in 2D by Fox Animation Studios, but the rise of CGI animation and the failure of Titan A.E. destroyed Fox's traditional animation division, hence Bluth and Goldman transferred their duties for Chris Wedge and Carlos Saldanha from Fox's CGI division Blue Sky.

It is an excellent computer-generated animated feature that makes a case for one of the finest films of 2002. It is the frozen era and prehistoric animals try to find their way to land that is warmer and drier. An early group of human hunters become the hunted themselves as a group of sabertooth tigers begin to plot revenge. As an attack occurs, a small infant child is taken out of harm's way. Enter a kind woolly mammoth (voiced by the priceless Ray Romano) and a silly sloth (voiced by John Leguizamo) that find the young child and decide to return it to the humans. It appears that a sabertooth tiger (Denis Leary) is helping the duo, but his motives are devious as he is trying to lead them all into a trap of other sabertooth tigers. The film is another great animated piece of film-making that has important messages for the youngsters and is also highly entertaining for all audiences.

The film begins with a squirrel known as Scrat, who is trying to find a location to store his prized acorn. Eventually, as he tries to hide it, he causes an avalanche. He barely escapes, but finds himself stepped on by a herd of prehistoric animals. The animals are trying to avoid the ice age by migrating south. Sid, a clumsy ground sloth left behind by his family, is attacked by two Brontops whom he angered. Sid is soon saved by Manfred ("Manny"), an agitated mammoth who fights them off. Not wanting to be alone and unprotected, Sid follows Manny.

RESEARCH METHODOLOGY

RESEARCH PROBLEM

This is a basic study of the impact of animated movies on children aged between 7 to 15 years. The purpose of this study also aims to find out how and what changes animated movies brings about in children. Impact can be defined as "a strong effect or influence on someone or something". Animated films can be defined as "films in which individual drawings, paintings and illustrations are photographed frame by frame". Child is a person between birth and puberty, one who is immature. A child is one who is easily affected by what he/she hears, sees or feels.

The research problem can thus be defined as, “a study on the impact of animated movies on children”. The research has made an attempt to study the changes in the attitudes and behaviour in children due to the influence of the animated films they view.

AREA OF RESEARCH

The research was carried out in Trivandrum, Kerala. It includes a population of 240 school going children (120 boys and 120 girls) between the ages of 7-15 years.

RESEARCH DESIGN

The research adopted to conduct the project on the impact of animated movies on children is descriptive as well as experimental. The experimental research is mainly focused on finding out the cause and the effect relationship of the phenomenon under study. Actually when the observation is arranged and controlled, it becomes an experimental study. The descriptive research is concerned with a focus on the portrayal of characteristics of an individual or group or a situation. The main objective of such studies is to acquire knowledge.

DATA COLLECTION

Sources of information were collected through primary data and secondary data. Primary data are those which are collected for the first time and are thus original in character. Primary data relating to this study was collected through ‘Questionnaires’. The tool used for primary data collection, i.e. questionnaire, consists of multiple choice questions and close ended questions. A set of questionnaires based on the study were distributed to the respondents and they were asked to fill them up either by themselves or with the support of their parents.

Secondary data are those which already have been collected by someone else and are processed by the various statistical methods. Secondary data relating to the study were collected from various sources like books, trade journals, magazines, newspapers and websites.

SAMPLING PROCEDURE

The sampling technique used in this study is Probability Sampling. It refers to the selection of a group of respondents who have a sure or certain chance of representing the population.

TOOLS OF ANALYSIS

The data collected from the children are analyzed using the following statistical methods and techniques:

- a. Chi-Square Test
- b. Graphical Method

ANALYSIS AND INTERPRETATION OF DATA

CHANGE IN ATTITUDE

CHI-SQUARE TEST 1

a) Objective - To find out the significant relationship between age and change in attitude or behavior.

Null Hypothesis (H₀)- There is no significant relationship between age and change in attitude or behavior.

Alternative Hypothesis (H₁)- There is significant relationship between age and change in attitude or behavior.

AGE	STRONGLY AGREE	AGREE	DISAGREE	STRONGLY DISAGREE	TOTAL
7-9	40	20	10	10	80
10-12	30	30	10	10	80
13-15	20	30	20	10	80
TOTAL	90	80	40	30	240

NOTE: - The table value is taken at 5% significance level.

Calculated value	6.355
Table value	12.59

Inference: - Since the calculated value is less than the table value, H₀ is accepted. There is no significant relationship between age and change in attitude or behavior.

CHI-SQUARE TEST 2

b) Objective – To find out the significant relationship between gender and change in attitude or behavior.

Null Hypothesis (H₀)- There is no significant relationship between gender and change in attitude or behavior.

Alternative Hypothesis (H₁) – There is significant relationship between gender and change in attitude or behavior.

GENDER	STRONGLY AGREE	AGREE	DISAGREE	STRONGLY DISAGREE	TOTAL
MALE	60	30	20	10	120
FEMALE	40	20	30	30	120
TOTAL	100	50	50	40	240

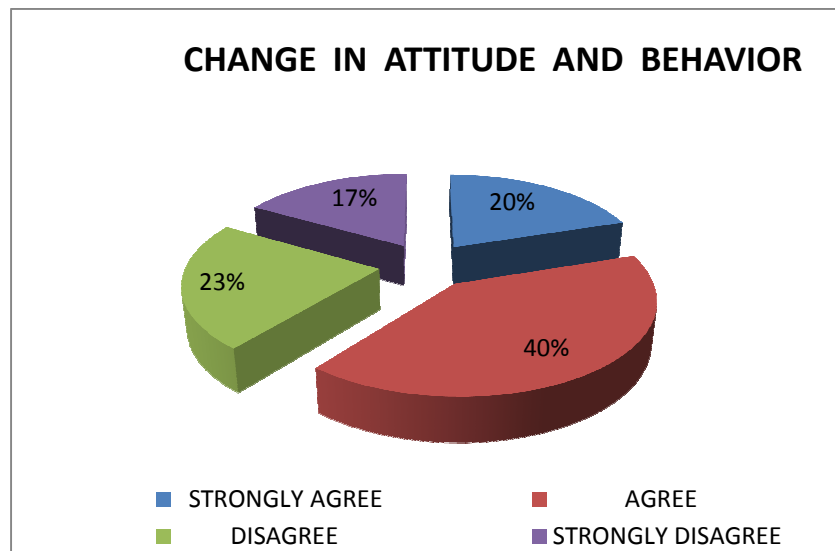
NOTE:- The table value is taken at 5% significance level.

Calculated Value	9.083
Table Value	7.82

Inference: - Since the calculated value is greater than the table value, H₁ is accepted. There is significant relationship between gender and change in attitude or behavior.

The behavior that the consumers display in searching for purchasing, using, evaluating and disposing off products and services that they expect will satisfy their needs. Attitude is a person’s enduring favorable or unfavorable evaluation, emotional feeling and action tendencies towards some object or idea. It is a way of thinking or outlook while behavior is the performance or conduct.

CHANGE IN ATTITUDE AND BEHAVIOUR	
RESPONSES	NO. OF RESPONSES
STRONGLY AGREE	48
AGREE	98
DISAGREE	54
STRONGLY DISAGREE	40
TOTAL	240



Inference: 40% of the children agreed that there was a change in the behavior and attitude as a result of viewing animated movies. 23% disagree and 17% strongly disagree on the above statement. 20% of the population strongly agrees that there has been noticeable change in the attitude and behavior of the children.

INFLUENCE AND IMITATION OF VIOLENCE

CHI- SQUARE TEST 3

a) **Objective -** To find out the significant relationship between age and influence and imitation of violence.

Null Hypothesis (H₀) - There is no significant relationship between age and influence and imitation of violence.

Alternative Hypothesis (H₁) - There is significant relationship between age and influence and imitation of violence.

AGE	STRONGLY AGREE	AGREE	DISAGREE	STRONGLY DISAGREE	TOTAL
7-9	50	10	10	10	80
10-12	40	20	10	10	80
13-15	30	30	10	10	80
TOTAL	120	60	30	30	240

NOTE:- The table value is taken at 5% significance level.

Calculated Value	7.5
Table Value	12.59

Inference: - Since the calculated value is less than the table value, H₀ is accepted. There is no significant relationship between age and influence and imitation of violence.

CHI- SQUARE TEST 4

b) **Objective -** To find out the significant relationship between gender and influence and imitation of violence.

Null Hypothesis (H₀) - There is no significant relationship between gender and influence and limitation of violence.

Alternative Hypothesis (H₁) - There is significant relationship between gender and influence and imitation of violence.

GENDER	STRONGLY AGREE	AGREE	DISAGREE	STRONGLY DISAGREE	TOTAL
MALE	60	40	10	10	120
FEMALE	20	20	60	20	120
TOTAL	80	60	70	30	240

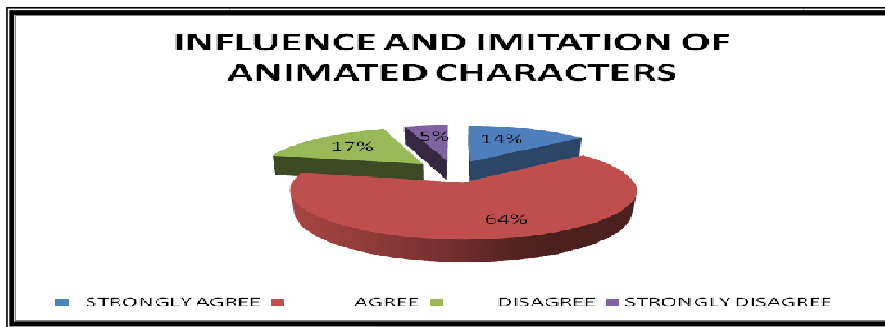
NOTE: - The table value is taken at 5% significance level.

Calculated Value	32.58
Table Value	7.82

Inference: - Since the calculated value is greater than the table value, H₁ is accepted. There is significant relationship between gender and influence and imitation of violence.

Influence and imitation of the characters children view on screen can lead to serious defects and problems in their character development. They can end up in idolizing the wrong characters or the right characters in the wrong way. Many children imitate the characters and become victims of the violent stunts.

INFLUENCE AND IMITATION OF ANIMATED CHARACTERS	
RESPONSES	NO.OF RESPONSES
STRONGLY AGREE	34
AGREE	144
DISAGREE	40
STRONGLY DISAGREE	12
TOTAL	240

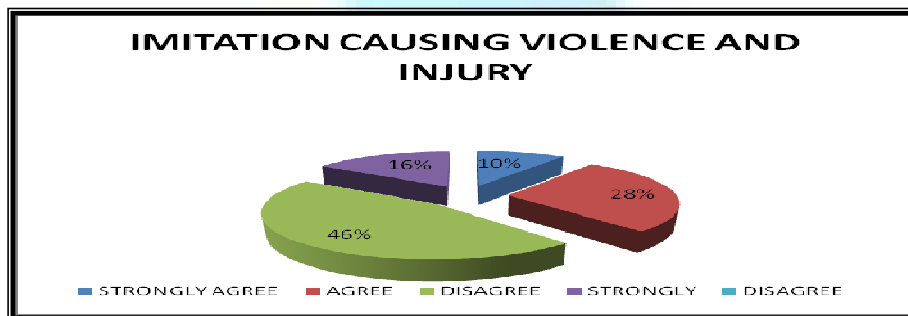


Inference: Though 5% of the kids strongly disagree that they don't try to imitate the animated characters they watch on screen, it is to be noticed that 64% of the population do agree and 14% strongly agree that they are influenced and try to imitate the animated characters. 17% of the children also disagree to the statement raised.

IMITATION OF ANIMATED CHARACTERS LEADING TO VIOLENCE AND INJURY

At times children try to imitate the stunt sequences portrayed in the animated movies and try to imitate them for fun. But most often they end up in hurting themselves and others unknowingly. This can lead to serious injuries and rivalry between friends.

RESPONSES	NO.OF RESPONSES
STRONGLY AGREE	24
AGREE	68
DISAGREE	110
STRONGLY DISAGREE	38
TOTAL	240



Inference: Though 46% and 16% of the respondents have disagreed with the violent acts and injuring others, 10% and 28% of the kids do agree they have caused injury due to imitating the animated characters.

INSISTENCE ON BUYING ACCESSORIES THAT CARRY AN IMPRESSION OF THE ANIMATED CHARACTERS

CHI- SQUARE TEST 5

a) **Objective-** To find out the significant relationship between age and insistence/ influence on buying accessories that carry an impression of the animated characters.

Null Hypothesis(Ho) - There is no significant relationship between age and insistence/ influence on buying accessories that carry an impression of the animated characters.

Alternative Hypothesis (H₁) - There is significant relationship between age and insistence/ influence on buying accessories that carry an impression of the animated characters.

AGE	STRONGLY AGREE	AGREE	DISAGREE	STRONGLY DISAGREE	TOTAL
7-9	20	40	10	10	80
10-12	24	36	10	10	80
13-15	16	44	10	10	80
TOTAL	60	120	30	30	240

NOTE:- The table value is taken at 5% significance level.

Calculated Value	1.2
Table Value	12.59

Inference: - Since the calculated value is less than the table value, Ho is accepted. There is no significant relationship between age and insistence/ influence on buying accessories that carry an impression of the animated character.

CHI- SQUARE TEST 6

b) **Objective -** To find out the significant relationship between gender and insistence/ influence on buying accessories that carry an impression of the animated characters.

Null Hypothesis (Ho) - There is no significant relationship between gender and insistence/ influence on buying accessories that carry an impression of the animated characters.

Alternative Hypothesis (H₁) - There is significant relationship between gender and insistence/ influence on buying accessories that carry an impression of the animated characters.

GENDER	STRONGLY AGREE	AGREE	DISAGREE	STRONGLY DISAGREE	TOTAL
MALE	40	50	20	10	120
FEMALE	36	44	20	20	120
TOTAL	76	94	40	30	240

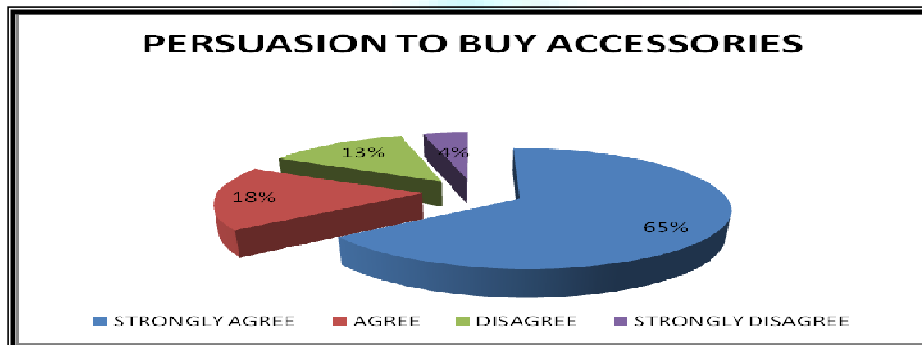
NOTE:- The table value is taken at 5% significance level.pp

Calculated Value	1.948
Table Value	7.82

Inference: - Since the calculated value is lesser than the table value, Ho is accepted. There is no significant relationship between gender and insistence/ influence on buying accessories that carry an impression of the animated characters.

Due to the influence and impression created by animated characters and movies on children, differences in the purchase patterns have observed. They insist on buying accessories like lunch boxes, water bottles, pencil pouches, school bags and notebooks etc. which carry an impression of their favorite cartoon character. Children also try to 'show-off' these goods and create a favorable impression with their peer groups.

PERSUASION TO BUY ACCESSORIES	
RESPONSES	NO.OF RESPONSES
STRONGLY AGREE	156
AGREE	42
DISAGREE	32
STRONGLY DISAGREE	10
TOTAL	240



Inference: According to the data collected, 65% of the population of children strongly agrees that there is persuasion in buying accessories. 18% of the population also agrees on this behavior. Only a total of 17% disagree on the statement of purchase pattern.

ABILITY TO RECOLLECT THE ANIMATED CHARACTERS

CHI- SQUARE TEST 7

a) **Objective** – To find out the significant relationship between age and ability to recollect the animated characters viewed by children.

Null Hypothesis (Ho) - There is no significant relationship between age and ability to recollect the animated characters viewed by children.

Alternative Hypothesis (H1) - There is significant relationship between age and ability to recollect the animated characters viewed by children.

AGE	STRONGLY AGREE	AGREE	DISAGREE	STRONGLY DISAGREE	TOTAL
7-9	16	12	24	20	80
10-12	24	30	12	10	80
13-15	34	38	10	10	80
TOTAL	74	80	46	40	240

NOTE:- The table value is taken at 5% significance level.

Calculated Value	16.315
Table Value	12.59

Inference:- Since the calculated value is greater than the table value, H1 is accepted. There is significant relationship between age and ability to recollect the animated characters viewed by children.

CHI-SQUARE TEST 8

b) **Objective** - To find out the significant relationship between gender and ability to recollect the animated characters viewed by children.

Null Hypothesis(Ho) - There is no significant relationship between gender ability to recollect the animated characters viewed by children.

Alternative Hypothesis (H1)- There is significant relationship between gender ability to recollect the animated characters viewed by children.

GENDER	STRONGLY AGREE	AGREE	DISAGREE	STRONGLY DISAGREE	TOTAL
MALE	40	50	20	10	120
FEMALE	36	44	20	20	120
TOTAL	76	94	40	30	240

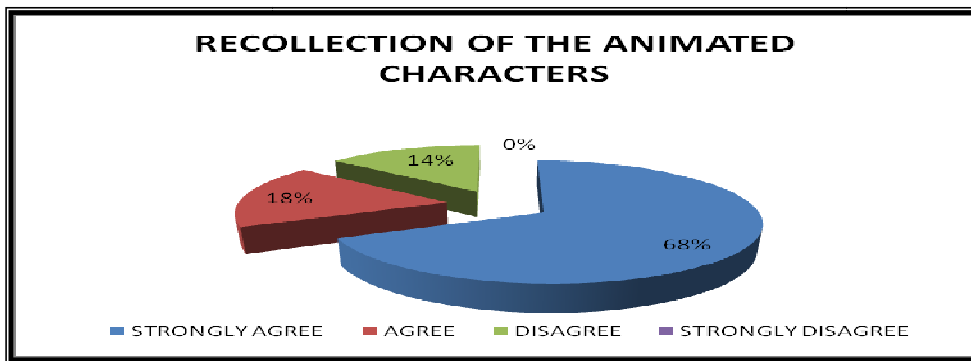
NOTE:- The table value is taken at 5% significance level.

Calculated Value	1.948
Table Value	7.82

Inference: - Since the calculated value is lesser than the table value, Ho is accepted. There is no significant relationship between gender and ability to recollect the animated characters viewed by children.

The animated characters created are very memorable for the kids who view them. They tend to relate with these characters easily. Most of the children do not have any problem with recollecting the characters image and conversation. The colors and graphics used, give these animated characters a live effect.

RECOLLECTION OF ANIMATED CHARACTERS	
RESPONSES	NO.OF RESPONSES
STRONGLY AGREE	164
AGREE	42
DISAGREE	34
STRONGLY DISAGREE	0
TOTAL	240

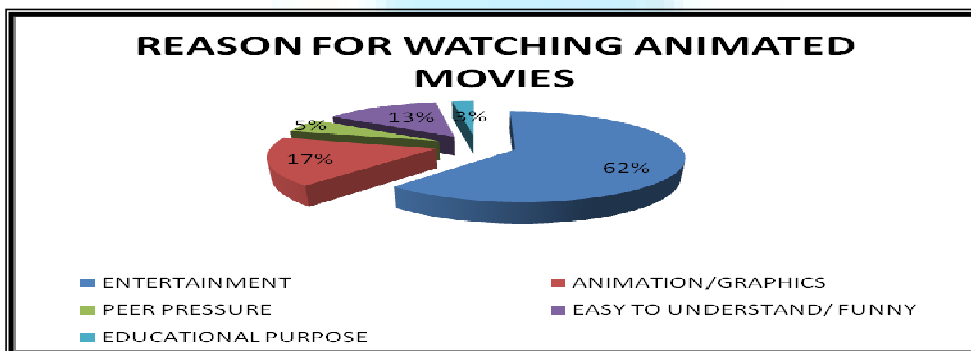


Inference: 68% of the population strongly agrees that they are able to recollect the animated characters they have viewed. 18% of the children have agreed on the statement raised. Only 14% disagreed that they couldn't recollect some of the characters onscreen.

VARIOUS REASONS FOR WATCHING ANIMATED MOVIES

There are various reasons given by the respondents for viewing animated movies. Most of the children watch animated films for the entertaining story, animation, graphics, peer pressure, music, characters presented etc. the responses given by children are given in the table below and summarized in the pie diagram.

REASON FOR WATCHING ANIMATED MOVIES	
RESPONSES	NO.OF RESPONSES
ENTERTAINMENT	148
ANIMATION/GRAPHICS	42
PEER PRESSURE	12
EASY TO UNDERSTAND/ FUNNY	32
EDUCATIONAL PURPOSE	6
TOTAL	240

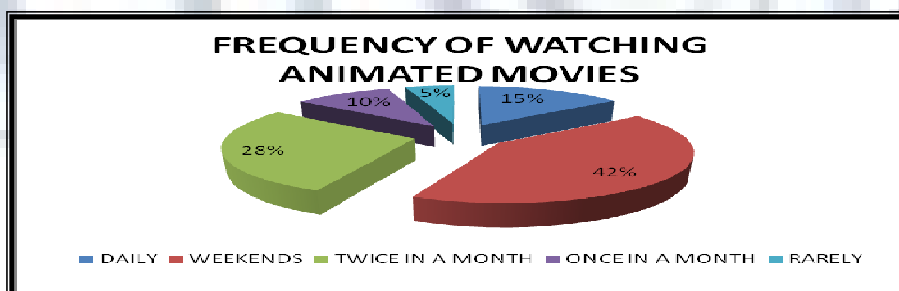


Inference: 62% of the children watch animated movies for the purpose entertainment. 17% of the kids are attracted to the animation and graphics used in an animation film and 13% watch because it is funny and easy to understand. Only 3% and 5% of the children said they view animated movies for educational purpose and due to peer pressure respectively.

FREQUENCY OF WATCHING ANIMATED MOVIES

Children were asked to report the frequency of watching the animated movies. The following two tables and graphs will provide a brief idea on the time spent by kids in viewing animated films and cartoons.

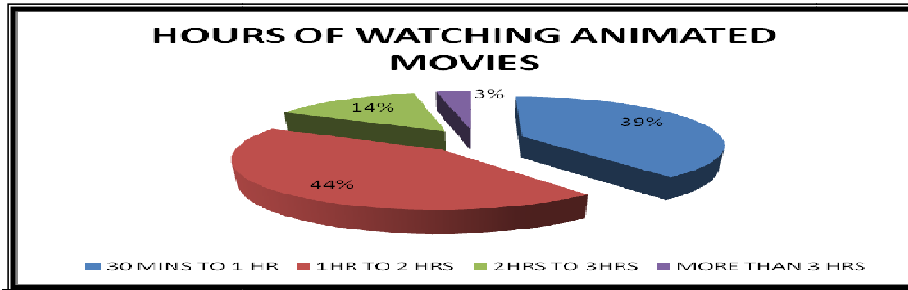
FREQUENCY OF WATCHING ANIMATED MOVIES	
RESPONSES	NO.OF RESPONSES
DAILY	86
WEEKENDS	100
TWICE IN A MONTH	68
ONCE IN A MONTH	24
RARELY	12
TOTAL	240



Inference: 42% of the children watch animated films during weekends. 28% of the children watch cartoons twice in a month, while only 5% of the kids watch animated movies rarely. 10% and 15% of the children watch animate movies once in a month and daily respectively.

HOURS OF WATCHING ANIMATED MOVIES

HOURS OF WATCHING ANIMATED MOVIES	
RESPONSES	NO.OF RESPONSES
30 MINS TO 1 HR	94
1HR TO 2 HRS	104
2HRS TO 3HRS	34
MORE THAN 3 HRS	8
TOTAL	240



Inference: 44% of the children view animated movies for 1 to 2 hours. 39% watch for 30 minutes to 1 hour, while just 3% and 14% view animated movies for 2 and more hours respectively.

CONCLUSION AND SUGGESTION

As the saying goes "All work and no play, makes Jack a dull boy". Children need leisure from their hectic day at school. Films are found to be favorite pastime with children. Animated films have become a craze with children. Animated films are being produced in India. From the data collected and analyzed, it is evident that animated films have an impact on most children. The impact of animated films can be categorized in 5 ways.

- Change in attitude and behaviour.
- Influence and Imitation of animated characters.
- Persuasion on buying accessories that carry an impression of animated characters.
- Ability to recollect characters.
- Imitation of violent stunt sequences and thus causing injury.

Almost all children watch films on weekends. Most children watch animated films for at least 1 to 2 hours. Some children are so taken by these films that they watch more than three hours of these films. They get enthralled and carried away by the magical world they see through animated films. They watch films because they like the animation and story in the films. Some watch because they may like the music in the film or the characters portrayed. They watch these films for entertainment and because they are interesting and also because certain animated films are easy to understand and funny.

All children universally like the following films- Finding Nemo, Ice Age and Shrek. Majority of the children like these films because of the entertainment factor. The children get very involved in the animated films and they all like to imitate certain character in the films like Nemo from Finding Nemo, Prince Charming in Shrek and Sid in Ice Age. Children watch these three films for story, animation, music and characters. Most children prefer Finding Nemo to other films because of the characters that are depicted in the film. The characters are etched in the mind of the children.

Children believe that the character of 'Manfred' from Ice Age, who is a brave and strong character who although initially runs from his responsibilities and is selfish, come back to save his friends in danger. Children also strongly agreed that the character of 'Shrek' from 'Shrek' was true leader of his toon town and was someone who delivered his friends and neighbours from the reign of the cruel Prince Charming.

All these characters are etched in the mind of children; they sometimes believe these characters to be real and non-fictional characters. This could therefore make the children want to imitate the characters which sometimes could be good or bad. For example, children who want to imitate the mighty character of 'Diego' in Ice Age could end up trying to do stunts which would end up harming them. On the other hand, children who would want to imitate Nemo would try to be good like him. They would try to be a better team worker and realize how important it is to obey one's parent. This can bring about a change in their attitude, behavior and perception for the better.

Children would love to be popular and a hit with their peers. They sometimes do not realize that too much of imitating characters could bring about a change in their character development. Sometimes imitating fictional characters can prove to be both harmful and dangerous to children. It very often has an adverse effect on their behaviour, attitude and character. A classic example that can be mentioned here is the number of children who would like to smoke or perform a dangerous stunt sequence, just because their favorite characters do the same on screen.

Manufacturers study the impact, animated movies and characters have on children. They often take advantage of this phenomenon and introduce products into the market. Due to these marketing strategies that they implement, marketers are crafting children to be more brand conscious.

Another major consequence of the impact of viewing animated movies can be the persuasion and pressure these children have on parents. Kids often convince their parents into buying various accessories like lunch boxes, water bottles, school bags, pencil pouches, games, toys etc. that carry an imprint of their favorite animated characters. These products are most often expensive and luxurious. Children also exhibit and flaunt these products to gain popularity among peer groups. This will devastate other children who cannot afford to purchase such products and will thus cause an economic barrier between each other.

Thus, from the study it can be inferred that children are taken by the illusionary world that is portrayed in animated films. The film viewing attribute of children should be regulated by their parents. Children should be taught the genre of the films to be watched. Film makers and producers must also be careful while preparing the theme and scripts. Manufacturers should not take advantage and exploit such vulnerable situations.

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A CASE STUDY ON TRAINING AND DEVELOPMENT WITH REFERENCE TO NUTRINE CONFECTIONERY COMPANY LTD., CHITTOOR (A.P)

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ABSTRACT

In the modern world of ever changing technology, constant information and innovation is essential for employees in order to meet today's competitive environment, to meet the latest technology about their given profession or an area of expertise, and to fill gaps between the technical skills and expertise knowledge in any organization. The HR functioning is changing with time and with this change, the relationship between the training function and other management activity is also changing. The training and development activities are now equally important with that of other HR functions. Gone are the days, when training was considered to be departments such as, marketing & sales, HR, production, finance, etc depends on training for its survival. If training is not considered as a priority or not seen as a vital part in the organization, then it is difficult to accept that such a company has effectively carried out HRM. Training actually provides the opportunity to raise the profile development activities in the organization. To increase the commitment level of employees and growth in quality movement, senior management team is now increasing the role of training. Such concepts of HRM require careful planning as well as greater emphasis on employee development and long term education. Training is now the important tool of Human Resource Management to control the attrition rate because it helps in motivating employees, achieving their professional and personal goals, increasing the level of job satisfaction, etc. As a result training is given on a variety of skill development and covers a multitude of courses. The present study deals with training and development of employees in Nutrine Confectionery Company Limited.

KEYWORDS

Training-Development-Training methods-Working environment-Human relations-Smooth working conditions.

INTRODUCTION

You cannot teach a man anything. You can only help him discover it within himself"

-GalileoGalilei

In the field of Human Resources Management, Training and Development is the field concern with organizational activities which are aimed for the betterment of individual and group performances in any organization. It has been known by many names in the field HRM, such as employee development, human resources development, learning and development etc. Training is really developing employee's capacities through learning and practicing. Training and Development is the framework for helping employees to develop their personal and organizational skills, knowledge, and abilities. The focus of all aspects of Human Resource Development is on developing the most superior workforce so that the organization and individual employees can accomplish their work goals in service to customers. All employees want to be valuable and remain competitive in the labor market at all times, because they make some demand for employees in the labor market. This can only be achieved through employee training and development. Hence employees have a chance to negotiate as well as employer has a good opportunity to select most suitable person for his vacancy. Employees want to develop career-enhancing skills, which will always lead to employee motivation. There is no doubt that a well trained and developed staff will be a valuable asset to the company and thereby increasing the chances of his efficiency in discharging his or her duties. It plays an important role in the effectiveness of organizations and to the experiences of people in work. Training has implications for productivity, health and safety at work and personal development.

DEFINITIONS

"Training is that organized process concerned with the acquisition of capability, or the maintenance of existing capability. On the other hand, where the objective is to acquire a set of capabilities, which will equip a person to do a job a sometime in the predictable future, which is not within his present ability, that person is often said to undergo a process of development".

- Pepper, 1992

"A planned process to modify attitude, knowledge or skill behavior through learning experience to achieve effective performance in an activity or range of activities. Its purpose, in the work situation, is to develop the abilities of the individual and to satisfy the current and future manpower needs of the organization".

- Lundy and Cowing

STATEMENT OF THE PROBLEM

The study highlights the importance of "Training and development in organization", with special reference to Nutrine Confectionery Company Limited, Chittoor. The study is conducted by approaching employees in the company and to know the criteria of the importance of training and development in order to enhance the employee performances for a better outcome. Hence the present study has been undertaken to find out the answers for the following questions.

- What are the factors that influence the effectiveness of training methods imparted in the company?
- What are the problems faced by the employees to acquire skills, knowledge and to avoid mistakes in the work environment?

OBJECTIVES

- To study the effectiveness of the training imparted by the company and its resultant in the performance of employees.
- To know the perception of employees regarding training methods in Nutrine Confectionery Company Limited.
- To identify how training assists the employees to acquire the skills, knowledge, attitude and also to enhance the same in work environment.
- To study whether training helps to motivate employees and helps in avoiding mistakes.

LIMITATIONS OF THE STUDY

- There may be the chance of personal bias in the response of the employees in the questionnaire.
- Some of the workers may not be interested to answer the questions.
- The climate cannot be analyzed with little samples out of huge population.
- Since the respondent's chosen are busy they find little time to answer the questionnaire.

RESEARCH METHODOLOGY

Sample size: A total of 150 respondents in Nutrine Confectionery company Limited, Chittoor was selected for the study.

Sampling technique: Convenience sampling method has been followed for collecting the response from the respondents.

Sources of data: The study is based on both primary and secondary data. Primary data has been collected by using a questionnaire. Secondary data has been collected from books, manuals and internet.

Tools for collection of data: The questionnaire is the major tool administered for collecting primary data from the respondents.

Tools for analysis: The statistical tools used for the purpose of analysis of this study are Simple percentage technique, Weighted average method, Co-relation coefficient and F-Distribution test.

TABLE 1: DOES THE COMPANY FOLLOW UP THE TRAINING AND DEVELOPMENT PROGRAMMES

S. No	Opinion	No. of Respondents	Percentage (%)
1	Yes	96	64
2	No	54	36
	Total	150	100

Interpretation & Analysis: The above table indicates that 64% of the respondents agreed that the company follow up the training and development programmes and remaining 36% of the respondents do not agree that the company follow up the training and development programmes.

TABLE 2: ATTENDING THE TRAINING PROGRAMMES IN THE COMPANY

S. No	Opinion	No. of Respondents	Percentage (%)
1	Yes	88	58.6
2	No	62	41.4
	Total	150	100

Interpretation & Analysis: The above table indicates that 58.6% of the respondents attended the training programmes and remaining 41.4% of the respondents did not attend the training programmes in the company.

TABLE 3: TRAINING AND DEVELOPMENT PROGRAMMES INCREASES SKILLS, KNOWLEDGE AND ATTITUDE

S. No	Opinion	No. of Respondents	Percentage (%)
1	Strongly agree	63	42
2	Agree	44	29.3
3	No opinion	10	6.7
4	Disagree	23	15.3
5	Strongly disagree	10	6.7
	Total	150	100

Interpretation & Analysis: The above table indicates that 42% of the respondents strongly agreed, 29.3% of the respondents agreed, 6.7% of the respondents has no opinion, 15.3% of the respondents disagreed and 6.7% of the respondents are strongly disagreed with the training and development programmes that increases skills, knowledge, attitude among the employees.

TABLE 4: TRAINING LEADS TO BETTER PRODUCTIVITY IN QUALITY AND QUANTITY

S. No	Opinion	No. of Respondents	Percentage (%)
1	Strongly agree	44	29.3
2	Agree	67	44.7
3	No opinion	12	8
4	Disagree	14	9.4
5	Strongly disagree	13	8.6
	Total	150	100

Interpretation & Analysis: The above table indicates that 29.3% of the respondents strongly agreed, 44.7% of the respondents agreed, 8% of the respondents has no opinion, 9.4% of the respondents disagreed and 8.6% of the respondents strongly disagreed with training programmes which leads to better productivity in quality and quantity.

F-DISTRIBUTION TEST WITH TABLE 3 & 4

Let 'x' be the no. of respondents opinion about training programmes in increasing skills, knowledge, attitude.

S. No	Opinion	No. of Respondents	Percentage (%)
1	Strongly agree	63	42
2	Agree	44	29.3
3	No opinion	10	6.7
4	Disagree	23	15.3
5	Strongly disagree	10	6.7
	Total	150	100

Let 'Y' be the no. of respondents opinion on training and development programmes that leads to better productivity in quality and quantity.

S. No	Opinion	No. of Respondents	Percentage (%)
1	Strongly agree	44	29.3
2	Agree	67	44.7
3	No opinion	12	8
4	Disagree	14	9.4
5	Strongly disagree	13	8.6
	Total	150	100

X	63	44	10	23	10
Y	44	67	12	14	13

Null Hypothesis (Ho):

$\sigma_x^2 = \sigma_y^2$

i.e. two samples have the same variance.

Alternative Hypothesis (H1):

$\sigma_x^2 \neq \sigma_y^2$

(Two tailed test)

COMPUTATION OF TEST STATISTIC

X	$x - \bar{x} = x - 30$	$(x - \bar{x})^2 = (x - 30)^2$	Y	$y - \bar{y} = y - 30$	$(y - \bar{y})^2 = (y - 30)^2$
63	53	2809	44	14	196
44	14	196	67	37	1369
10	-20	400	12	-18	324
23	-7	49	14	-16	256
10	-20	400	13	-17	289
$\sum X = 150$		$\sum (x - \bar{x})^2 = 3854$	$\sum Y = 150$		$\sum (y - \bar{y})^2 = 2434$

$$\begin{aligned} \text{Now } \bar{x} &= \frac{\sum x}{n} \\ &= \frac{150}{5} \\ &= 30 \end{aligned}$$

$$\begin{aligned} \bar{Y} &= \frac{\sum Y}{n} \\ &= \frac{150}{5} \\ &= 30 \end{aligned}$$

$$\sigma_1^2 = \frac{\sum (x - \bar{x})^2}{n_1 - 1} = \frac{3854}{4} = 963.5$$

$$\sigma_2^2 = \frac{\sum (Y - \bar{Y})^2}{n_2 - 1} = \frac{2434}{4} = 608.5$$

$$\begin{aligned} \text{Test Statistic, } F &= \frac{\sigma_2^2}{\sigma_1^2} \\ &= \frac{608.5}{963.5} \\ F &= 1.58 \end{aligned}$$

Critical Value: The table value of F at $\alpha = 0.05$ for 4 and 4 degrees of freedom is $F_{0.05} = 9.12$

Decision: The computed value of $F = 1.58 < \text{table value } F_{0.05} = 9.12$.

So null hypothesis is accepted. The two samples have the same variance.

TABLE 5: JOB SATISFACTION AFTER ATTENDING TRAINING AND DEVELOPMENT PROGRAMMES

S. No	Opinion	No. of Respondents	Percentage (%)
1	Strongly agree	71	47.3
2	Agree	52	34.6
3	No opinion	8	5.4
4	Disagree	11	7.3
5	Strongly disagree	8	5.4
	Total	150	100

Interpretation & Analysis: The above table indicates that 47.3% of the respondents strongly agreed, 34.6% of the respondents agreed, 5.4% of the respondents has no opinion, 7.3% of the respondents disagreed and 5.4% of the respondents strongly disagreed with the training and development programmes.

TABLE 6: TRAINING WILL CULTIVATE COMPETITION AMONG THE EMPLOYEES

S. No	Opinion	No. of Respondents	Percentage (%)
1	Strongly agree	56	37.4
2	Agree	43	28.6
3	No opinion	22	14.7
4	Disagree	18	12
5	Strongly disagree	11	7.3
	Total	150	100

Interpretation & Analysis: The above table indicates that 37.4% of the respondents strongly agreed, 28.6% of the respondents agreed, 14.7% of the respondents has no opinion, 12% of the respondents disagreed and 7.3% of the respondents strongly disagreed with the training programmes that cultivates competition among the employees.

WEIGHTED AVERAGE METHOD

The general formula for Weighted Average Calculation

$$\text{Weighted Average} = (x_1w_1 + x_2w_2 + \dots + x_nw_n) / (w_1 + w_2 + \dots + w_n)$$

$$= \sum_{i=1 \text{ to } n} (X_i W_i) / \sum_{i=1} W_i$$

Here X_i = Values of quantity whose weighted average is being calculated, while w_i is the values of corresponding weights.

So, for calculating weighting average, you must multiply values of the quantity with their corresponding weights, all them up and divide them by the sum of the weights.

By giving ranks to the no. of respondents we get the following table.

$$\begin{aligned} \text{From the above table weighted Average} &= (5*56) + (4*43) + (3*22) + (2*18) + (1*11) \\ &= 280+172+66+36+11 \\ &= 565/150 \\ &= 3.76 \end{aligned}$$

In the above table, the rank 3 corresponds to the response "No opinion"

Result: So, it is noticed that the employees have "No opinion" in cultivating competition through training.

TABLE 7: LEVEL OF DIFFICULTY AFTER ATTENDING TRAINING AND DEVELOPMENT PROGRAMMES.

S. No	Opinion	No. of Respondents	Percentage (%)
1	Very easy	45	30
2	Easy	67	44.7
3	No opinion	10	6.7
4	Difficult	13	8.6
5	Very difficult	15	10
	Total	150	100

Interpretation & Analysis: The above table indicates that 30% of the respondents felt very easy, 44.7% of the respondents felt easy, 6.7% of the respondents has no opinion, 8.6% of the respondents felt difficult and 10% of the respondents felt very difficult in the level of difficulty after attending training and development programmes.

TABLE 8: TRAINING AND DEVELOPMENT PROGRAMMES HELPS IN CAREER DEVELOPMENT

S. No	Opinion	No. of Respondents	Percentage (%)
1	Strongly agree	48	32
2	Agree	65	43.4
3	No opinion	11	7.3
4	Disagree	11	7.3
5	Strongly disagree	15	10
	Total	150	100

Interpretation & Analysis: The above table indicates that 32% of the respondents strongly agreed, 43.4% of the respondents agreed, 7.3% of the respondents has no opinion, 7.3% of the respondents disagreed and 10% of the respondents strongly disagreed with the training and development programmes helps in career development of employees.

TABLE 9: TRAINING AND DEVELOPMENT PROGRAMMES HELPS TO ELIMINATE THE FEAR IN ATTEMPTING NEW TASKS AND AVOIDING MISTAKES

S. No	Opinion	No. of Respondents	Percentage (%)
1	Strongly agree	68	45.4
2	Agree	46	30.7
3	No opinion	13	8.6
4	Disagree	14	9.3
5	Strongly disagree	9	6
	Total	150	100

Interpretation & Analysis: The above table indicates that 45.4% of the respondents strongly agreed, 30.7% of the respondents agreed, 8.6% of the respondents has no opinion, 9.3% of the respondents disagreed, 6% of the respondents strongly disagreed with the training and development programmes that helps to eliminate the fear in attempting new tasks and avoiding mistakes.

CORRELATION COEFFICIENT

CORRELATION OF TABLE 8 AND 9

Let 'X' be the number of respondents agrees with the training and development programmes helps in career development.

S.No	Opinion	No. of Respondents	Percentage (%)
1	Strongly agree	48	32
2	Agree	65	43.4
3	No opinion	11	7.3
4	Disagree	11	7.3
5	Strongly disagree	15	10
	Total	150	100

Let 'Y' be the number of respondents agrees that training programmes helps to eliminate fear in attempting new tasks and avoiding mistakes.

S.No	Opinion	No. of Respondents	Percentage (%)
1	Strongly agree	68	45.4
2	Agree	46	30.7
3	No opinion	13	8.6
4	Disagree	14	9.3
5	Strongly disagree	9	6
	Total	150	100

X	48	65	11	11	15
Y	68	46	13	14	9

X	Y	(X) ²	(Y) ²	XY
48	68	2304	4624	3264
65	46	4225	2116	2990
11	13	121	169	143
11	14	121	196	154
15	9	225	81	135
150	150	6996	7186	6686

$$N\sum XY - \sum X \cdot \sum Y$$

Correlation coefficient, r =

$$\begin{aligned}
 &= \frac{N\sum X^2 - (\sum X)^2 \cdot N\sum Y^2 - (\sum Y)^2}{\sqrt{34980 - 22500} \cdot \sqrt{35930 - 22500}} \\
 &= \frac{5 \cdot 6686 - 150 \cdot 150}{\sqrt{5 \cdot 6996 - (150)^2} \cdot \sqrt{5 \cdot 7186 - (150)^2}} \\
 &= \frac{33430 - 22500}{10930} \\
 &= \frac{10930}{\sqrt{12480} \cdot \sqrt{13430}} \\
 &= \frac{10930}{111.71 \cdot 115.88} \\
 &= \frac{10930}{12945} \\
 r &= 0.84
 \end{aligned}$$

RESULT

There is correlation between respondents satisfied with recognition got from the management and respondents satisfied with relationship made by their supervisor.

TABLE 10: LEVEL OF MOTIVATION AFTER ATTENDING TRAINING AND DEVELOPMENT PROGRAMMES

S. No	Opinion	No. of Respondents	Percentage (%)
1	Very high	60	40
2	High	40	26.6
3	Moderate	30	20
4	Low	15	10
5	Very low	5	3.4
	Total	150	100

Interpretation & Analysis: The above table indicates that 40% of the respondents felt very high, 26.6% of the respondents felt high, 20% of the respondents has moderate opinion, 10% of the respondents felt low and 3.4% of the respondents felt very low in the level of motivation after attending training and development programmes.

TABLE 11: LEVEL OF SUPPORT PROVIDED BY THE TRAINER DURING TRAINING PROGRAMMES

S. No	Opinion	No. of Respondents	Percentage (%)
1	Very high	64	42.6
2	High	46	30.7
3	Moderate	20	13.3
4	Low	10	6.7
5	Very low	10	6.7
	Total	150	100

Interpretation & Analysis: The above table indicates that 42.6% of the respondents felt very high, 30.7% of the respondents felt high, 13.3% of the respondents has moderate opinion, 6.7% of the respondents felt low and 6.7% of the respondents felt very low in the level of support given by the trainer during training programmes.

TABLE 12: ACHIEVEMENT OF LEARNING OBJECTIVES

S. No	Opinion	No. of Respondents	Percentage (%)
1	Completely met	47	31.3
2	Met	58	38.6
3	Somewhat met	26	17.3
4	Unmet	10	6.7
5	Completely unmet	9	6
	Total	150	100

Interpretation & Analysis: The above table indicates that 31.3% of the respondents completely met, 38.6% of the respondents has met, 17.3% of the respondents has somewhat met, 6.7% of the respondents has unmet and 6% of the respondents has completely unmet their personnel learning objectives in the training and development programmes.

FINDINGS

1. Only 42% of the respondents strongly agreed that training and development programmes increases their skills, knowledge and attitude.
2. Only 28.6% of the respondents strongly agreed that training leads to better productivity in quality and quantity.
3. Only 28.6% of the respondents agreed that training will cultivate competition among employees in the organization.
4. 30% of the employees felt very easy in the level of difficulty after attending training and development programmes.
5. 30.7% of the respondents felt very high support provided by the trainer during training and development programmes.
6. Only 31.3% of the respondents of the employees completely met the learning objectives in the organization.

SUGGESTIONS

1. Training methods have to be re-equipped with interpersonal skills, individual needs and other motivational techniques.
2. Training department should critically evaluate training needs for an individual in case of Change in Role, Location or Job Enlargement/Enrichment.
3. The company must provide advanced techniques in order to improve the quality of training and to improve the productivity.
4. The company must provide complete information about training programmes which helps to individual goals. So, they can work towards achieving organizational goals.

CONCLUSION

If you are hesitant about investing in training, you should know that your concerns are probably well founded. The training field is full of well-meaning but ill-equipped trainers, even in prestigious firms. Unfortunately, less competent trainers give the field a bad name, but rest assured there is a lot of good training carried out by skilled professionals. The trick is to identify them, and their strengths.

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SHIFTING PARADIGMS IN TEACHING PEDAGOGY OF B-SCHOOLS**PRITAM P. KOTHARI****HEAD****DEPARTMENT OF MANAGEMENT STUDIES****BHARATI VIDYAPEETH DEEMED UNIVERSITY. PUNE****ABHIJIT KADAM INSTITUTE OF MANAGEMENT AND SOCIAL SCIENCES****SOLAPUR****AVINASH A. DHAVAN****ASST. PROFESSOR & PLACEMENT COORDINATOR****DEPARTMENT OF MANAGEMENT STUDIES****BHARATI VIDYAPEETH DEEMED UNIVERSITY. PUNE****ABHIJIT KADAM INSTITUTE OF MANAGEMENT AND SOCIAL SCIENCES****SOLAPUR****SHIVGANGA C. MINDARGI****ASST. PROFESSOR****DEPARTMENT OF MANAGEMENT STUDIES****BHARATI VIDYAPEETH DEEMED UNIVERSITY. PUNE****ABHIJIT KADAM INSTITUTE OF MANAGEMENT AND SOCIAL SCIENCES****SOLAPUR****ABSTRACT**

These days we find lecturers in B Schools not only being concerned with training their postgraduate students) but also managers in action through MDP's in corporate houses. Whether it is the manager in waiting or the manager in action the B School facilitator is ultimately dealing with adult learning. It is with that in mind that this short paper has been written. This paper presents a descriptive model of pedagogy in the hope that it will assist the lecturer- facilitator both in the classroom as well as in the training centre drawing heavily upon the personal experience of the authors. B-schools are expected to create leaders, revolutionary thinkers in the business world but have not been thinking or taking any innovative steps in these directions as they are doing so for their own brand building. The wish list that one might want from B-Schools may be endless. But as a bench mark B-schools should strive to provide infrastructure & innovative teaching pedagogies that will incorporate the state-of-the-art facilities aimed at strengthening the conceptual, technical and human skills of the managers that emerge from the institute. B-Schools have to look at the concept of building quality students, transforming them in to corporate Industry, and also supporting managers in their future Carrier. This paper highlighting about how the institute should be use innovative pedagogies of teaching by considering of what corporate expected from management students.

KEYWORDS

B-Schools, management education.

INTRODUCTION: MANAGEMENT EDUCATION

21st century India witnessed a sea change in its educational system. Process of globalization not only transformed traditional approach of the system with a more efficient professional approach; but also introduced new age courses which have more economic value in today's' time . Management education is one among those which got a new dimension with this changing time; though the history of management education is not to new in this part of the world. The practice of management is a pathway for individuals who want to make an essential contribution to the sustainable growth to the society and country and it could well be the most impelling force for growth and greatness in our society. Enabling that commitment is a worthy purpose.

Proper Management education provides the valuable traits such as leadership and vision that continue to elevate individuals, organizations, and societies to a new level of development and satisfaction. Learning the art and Traits of doing successful business is clearly regarded around the world as a worthy and constructive endeavor, and this value continues to exist and enhance. B-schools are expected to create leaders, revolutionary thinkers in the business world but have not been thinking or taking any innovative steps in these directions as they are doing so for their own brand building.

The wish list that one might want from B-Schools may be endless. But as a bench mark B-schools should strive to provide infrastructure & innovative teaching pedagogies that will incorporate the state-of-the-art facilities aimed at strengthening the conceptual, technical and human skills of the managers that emerge from the B-Schools have to look at the concept of building quality students, transforming them in to corporate Industry, and also supporting managers in their future Carrier.

TODAY'S SCENARIO OF MANAGEMENT EDUCATION IN INDIA

Rapid expansion of Industries in India has opened new windows for excellent opportunities of careers in management education .The Policy of globalisation and decontrols has grip the demand for managerial personnel in the corporate Industry. Advent of multinational companies, which has just begun, may further increase the quest of the industrial sector in all fields of management like Finance, Production, Marketing, Personnel and Administration, Information Technology, International Business etc.

The careers in management offer one of the best salary packages in the country, particularly in the privatised sector. Recent decision of the Government to raise the upper limit of monthly salary to the managers to Rs 65,000 has made careers in management even more attractive. In addition to best of the salaries offered by this career, it also offers outstanding developmental opportunities to enable the competent and dynamic managers to rise to the level of Executive & Chief-executive. Several Indian professionals today are working as Managing Directors in much multi-nationals company. Management professionals from India are also in good demand in international level market. Privatized sector today offers rapid advancement to result-oriented professionals. Excellent perks are offered which may include free accommodation free conveyance/attractive conveyance allowance, & other facilities also.

TEACHER SHOULD BE KNOWLEDGEABLE ABOUT, COMMITTED TO, AND SKILLED IN

- Working with all students in an equitable, effective, and caring manner by respecting diversity in relation to ethnicity, race, gender, and special needs of each learner;
- Being active learners who continuously seek, assess, apply, and communicate knowledge as reflective practitioners throughout their careers;
- Developing and applying knowledge of curriculum, instruction, principles of learning, and evaluation needed to implement and monitor effective and evolving programs for all learners;
- Initiating, valuing, and practicing collaboration and partnerships with students, colleagues, parents, community, government, and social and business agencies;
- Appreciating and practicing the principles, ethics, and legal responsibilities of teaching as a profession;
- Developing a personal philosophy of teaching which is informed by and contributes to the organizational, community, societal, and global contexts of education

TRADITIONAL APPROACH OF TEACHING METHODS IN B-SCHOOLS

It is important to understand the context and classroom environment of a typical MBA class in India. This is crucial for all the protagonists using the cases. In the Indian context of MBA curricula, understanding the classroom profile of incoming students is important. For most students coming straight from their undergraduate classes, this is a second curve (sort of a 'discontinuity' from the past) in their lives. The first curve occurs on joining college from the protected environments of school life suddenly no bulky school bag, no uniform, no (less) attendance, less pressure about marks, and encounters with unions, strikes, ragging, etc. Most of them have never used the PowerPoint software for making a formal presentation in class. There is hardly any teamwork involved in preparing for the classes. Preclass preparation is almost negligible students simply go to the class, passively attend the lecture, absorb whatever they can, and, most often, not even ask a question for clarification. The learning is geared to scoring highly in end-of-the-year examinations. There is practically no requirement for conducting research either primary or secondary. Students are normally not aware of the different research methodologies. The ability to analyze and synthesize a given situation or problem is neither required nor encouraged. The double-loop learning process that requires questioning and reflection is absent most of the times. Such 'adult' students cannot be taught; they must be willing to learn. The biggest change for the MBA students, however, is the shift from 'learning by rote' to 'learning through critical thinking.' As the students progress through various courses, realization dawns on the need for total systems thinking combining management science (the hard aspects of decision-making) with management art (the softer art of implementation through people management). The quality of faculty (especially in good B-Schools) would be substantially different from the ones they have encountered before many of them could be in nationally important committees, consultants to world-renowned companies, and educating some of the best names in the corporate and administrative world.

Earlier the According to survey most of the Management institute evaluating students' abilities in 'real-world' contexts by way of showering the only fundamentals of corporate environment studies & their structures / working systems by following ways.

SR.NO	Teaching Methods	Proportions (out of 100%)
1	Lectures(Choking Method)	55%
Curricular Aspects		
1	Case studies Methods	15%
2	Industrial Exposure/Field Investigation	12%
3	Seminars/ Presentation/ Guest Lectures	10%
4	Group Discussion/ Debate	5%
5	Others	3%

Because After completion of management studies the corporate/ Industries provide training for converting management students into perfect manager in the industry. And then slowly the students have melted with industrial world & build his ability & creativity by taking experience. But it require lot of effort from both side i.e. form management student and off-course form industry/company. In that duration the company shows the trust and pensions for encouraging the ability of the person because ultimately he is the future brand/Asset of the company/Industry.

A good curriculum should integrate the diverse academic disciplines for creating managers capable of making ethical and commercially viable decisions in an interconnected world. A quick glance at the MBA curricula of Indian B-schools reveals that competition is relevant only for classroom discussions. The programmes in all institutes are overloaded with a large number of compulsory courses, and there are no elective courses. Also these courses lack on focus, creativity and innovation in teaching methods. The large number of assignments and evaluation that go with every course is making our students only experts in cutting and pasting from others.

REDESIGNING B SCHOOLS

"The principle goal of education is to create men and woman who are capable of doing new things, not simply repeating what other generations have done":- Jean Piaget

Today managers are in great demand in every sector of economy. India needs a huge reservoir each year of people who are trained for business and for management and demands is to last for coming years. But it is matter of concern whether the demand is for what they have been taught. In management education, quality has become a necessity to survive in the corporate? To make India an intellectual capital of the world, we have to create a dynamic environment, which can encourage superior qualitative management education institute and also require effort to make breathe life into management education. Management education should actually supplement on job training being given by the companies to the management trainees. It should also develop the analytical skill, creation and improve the ability to assimilate complex external and internal factors to influencing an organization.

Today's Business is becoming global. Even the smallest company is affected by happenings outside its immediate across the country .Medium and large companies are automatically involved in cross-border business. The businessmen and women of today need to understand this, and, where necessary, to be able to exploit the situation. It is not possible today to teach domestic business and global or international business as separate subjects.Management education enhances and encourages the managerial skills by sharing of ideas, & creativeness of many of healthy discussions. Learning from other approaches is not always a natural and single study process. It has to come with active participation in a group of people and it happens in the Management

DESIGNING A LECTURE

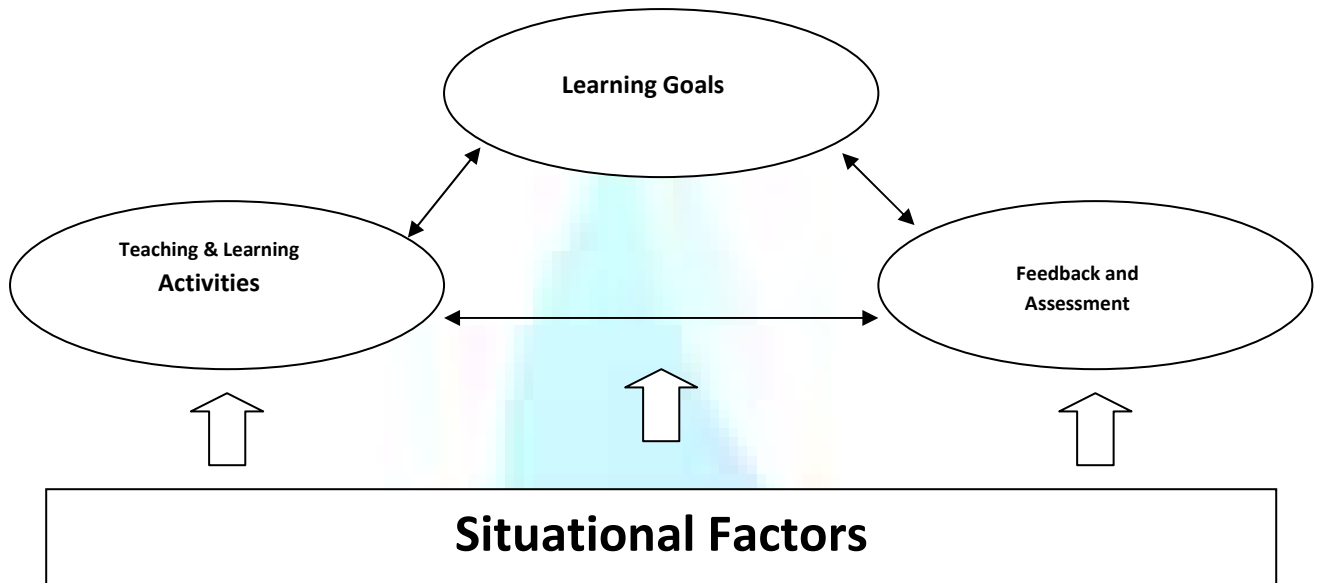
The challenge for the teachers is: how to design the lecture-interactive session so that meaningful and action-able learning can be imparted in real time. The designing a **Lecture** is also a **6 step process**. The design questions usually are:

1. What is the key point of this lecture and what is the learning desired to be imparted?
2. What are the pause points in students understanding this key learning and where does the trainer pause to take a feedback on how well the delivery is going?
3. What type of feedback mechanism is to be used at the pause points to check student understanding?
4. Which aspect of the assimilative assessment mirrors this feedback mechanism?
5. What are the pause point questions and how does the facilitator know that the learning has been assimilated?

6. Which resources will be used to emphasise and explore the key point i.e. will the lecture be supported by exercises like role plays, films, simulation and in-basket exercises

COURSE DESIGN

All teachers have to make decisions before the course starts, about how they plan or intend for the course to unfold and happen. This is the course design process. Most people model themselves after teachers they have had, and then use a “list of topics” approach to designing their courses. That drives learning but generally a low-level kind of learning. To make their courses truly learning-centered, teachers need to learn new and more powerful ways of systematically and intentionally designing their courses. One model for doing this is shown in the following diagram:

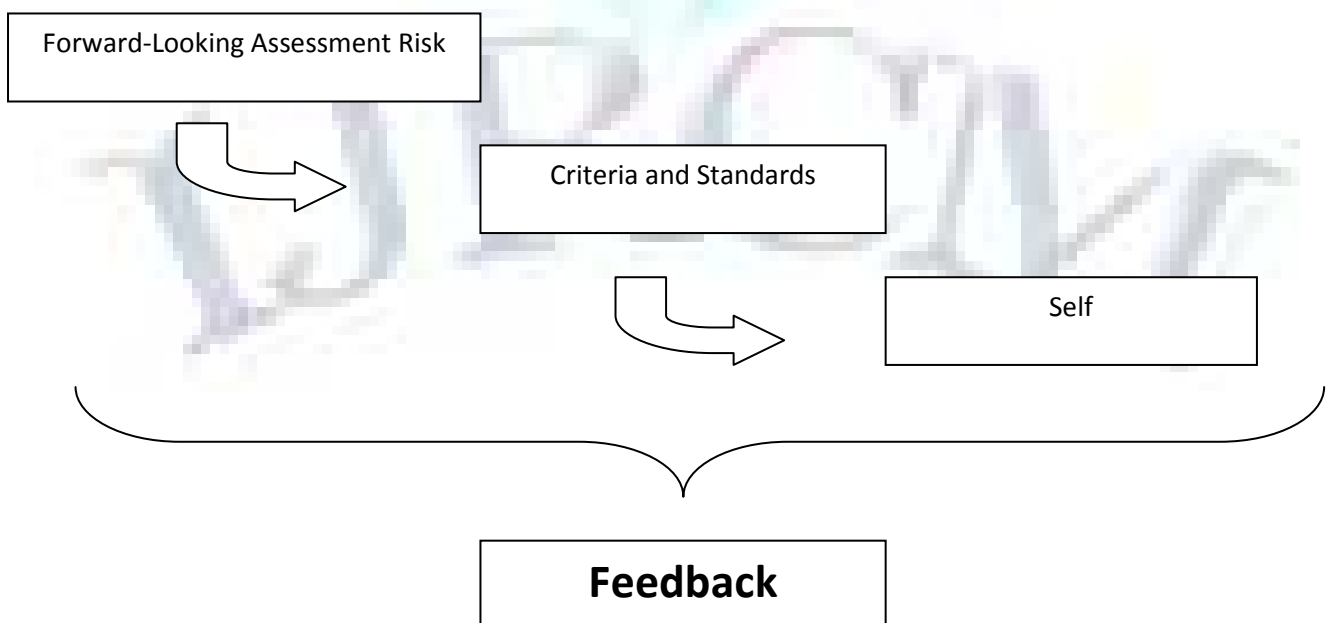


This model, called Integrated Course Design, suggests the following process for designing courses:

- Begin the process by gathering information on “Situational Factors”, e.g., thoughts and feelings the students have about the subject, external expectations or requirements, etc. Then use this information when making the three big decisions of the course:
- Learning goals: WHAT you want students to learn
- Teaching & Learning Activities: What the students will have to do, to achieve the learning goals
- Feedback and Assessment: What the students will have to do, that will tell you how well they learned what you wanted them to learn.
- Finally, the learning goals, activities, and assessment have to be integrated, i.e., they have to support and reflect each other. (Note: In many (most?) courses, they are not integrated.)

Generally, courses are designed by the person who teaches it, but faculty also should consider consulting with campus experts, such as experts on teaching critical thinking or information literacy. Sometimes, the course may be designed by a team and then taught, either by a member of the design team or by someone else. Either way, these decisions will need to be addressed. In addition, the national assessment movement has encouraged faculty to think beyond their classes to the programs that their classes serve. This requires moving from thinking about “my classes” to thinking about “our curricula” and the need to systematically align course learning goals with program learning goals so students have a cohesive learning experience. Program learning goals are systematically structured into courses so that they are introduced, developed, practiced, and mastered as students progress through the curriculum. One nice feature of this model is that it automatically leads professors into issues and an awareness of the need to learn more about the other kinds of new pedagogy described above, e.g., learning goals, active learning, educative assessment, teaching strategies, etc.

ASSESSMENT



At some point, professors have to decide how they are going to assess student learning. Rather than "auditing" student learning (i.e., after teaching a topic, assessing to see if students "got it"), professors need to consider "educative assessment," i.e., an assessment process that enhances or furthers student learning. This diagram says, in essence, that the process of assessing student learning has to start with identifying the right kind of task, and that this task should be real-life, authentic, or "forward-looking" (looking forward beyond the course to what students can actually do with this knowledge after the course is over). Then the teacher has to create a good rubric (criteria and standards) to differentiate excellent from mediocre from poor work, and give the students opportunities for assessing the quality of their own work themselves – with feedback from the professor all along the way.

WHAT CORPORATE EXPECT FROM MANAGEMENT STUDENT & WHAT B SCHOOLS SHOULD DO!!!!!!

Management students hold a very important position in any organization. They have played a vital role in handling various types of clients issues, resource issues, employees and employers issues, company's goodwill and reputation issues, status and landmark in the society and lots more. Management students are on the middle of every task, they have act as joining point between employees - employers and employers – clients. Organizational structure and multinational trends makes all these responsibilities more complex that needs to require effective planning and e strategic decision making policy and hard working in an efficient manner. Corporate world always lacks efficient and capable management employees in the organization To meet this demand top management educational institute of the world plays an important role for meet the expectations of corporate.

WHAT CORPORATE EXPECT FROM THE MANAGEMENT STUDENTS?

- ✓ Good Communication
- ✓ Innovator /have creativity
- ✓ To able to work in a team / group
- ✓ Problem solving capabilities
- ✓ Ability to focus the resources
- ✓ Able to understand the importance of change management.
- ✓ Business Awareness

SUGGESTED NEW PEDEGOGIES IN TEACHING

Giving students the Power and then watching them Strive for excellence is an Incredible Teaching Experience."

CASE STUDIES

This approach tends to reward decisive thinking during the discussion of the case as long as it is backed by a sound perspective, relevant analysis, and often, hard numbers. Such an approach may need to be modified, given the broadened expectations of tomorrow's business leaders,

- develops analytic and problem solving skills
- allows for exploration of solutions for complex issues
- allows student to apply new knowledge and skills

The Case studies cases should be the current updates which requires enough efforts, for which give the maximum opportunities for alternatives of analyzing the cases & finding the solutions. Like Retail Business in India, Implementation of New management concept in corporate work system pros and cons etc. which will help to explore the ideas by finding the solution of complex issue which leads to the students apply the new knowledge and skill to tackle the problems from the situations.

TEACH & LEARN LIVE PROJECT: (SMALL BUSINESS ADOPTION)

In This kind of pedagogies the students have to encourage for study a particular business organization, the encourage not only simply to study but is expected to get along with the business operation by active involvement and thus he is expected to learn while surviving in the organization and expected to find out/ explore new, innovative and better ways of performance & which ultimately will be contributing for orignaoanal growth resulting in higher profitability. The solutions suggested are to be practical feasible. In the management studies. The Institute has give the platform to the student where the students has to use their management skill, creative decision making, implementation of new ideas or develop the new innovations in future by adopting small business & give them a golden shape to the business by implementing their management knowledge which what they learn and experienced from the classrooms.

example : Symbiosis Institute and Bharati Vidyapeeth AKIMSS has started this kind of Pedagogies and Bharati Vidyapeeth AKIMSS has Adopted 25 Small Business in Solapur city, were students has started giving a vital contribution to make successful business operation in future.

FILM CLUB: FILMS AS A TOOL TO TEACH MANAGEMENT STUDENTS

"The audio-visual medium is one of the most effective tools for teaching and subject matter of these movies will help students understand the corporate world and ethics in an interesting manner, Movies as class matter is definitely a change scenario of learning method for the students and as a case study they will be made to see the film then discuss the same in their class with Faculty. The film that will leads to the students to understand the functioning of corporate world. For Example "Bipasa Basu's character in the film of "Corporate"& Aishwarya Rai character in Film Sarkar explains how some women tend to behave emotionally even while taking tough business decisions,"

It will helps to;

- To gain an understanding of the changing perspectives of diversity in business today and its impact on the business climate.
- To develop an ability to articulate the influence of political, social, legal and regulatory, environmental and technological issues on business decisions as depicted by the film.

For Example to learn key team of understand the marketing and production details of Krrish. The film Krrish as a product made in India and launched successfully in global markets. The movie has several unique features in strategies for packaging and distribution. the filmmakers spent 8 to 10 times the usual cost in getting the best international fight masters and technicians for special effects but they balanced this budget out by saving on production and sets cost, which student definitely realized that how a good qualitative product should produce by using effective strategy for controlling the cost.

FACULTY-EXECUTIVE EXCHANGE PROGRAMME

The universities can implement a scheme of faculty executive exchange programme with a tie up with industry where in the faculty would go on a sabbatical leave to work in industry and the executives from the industry can join in universities as faculty for a fixed tenure. This enriches the knowledge of the students and builds a strong linkage between university and industry.

BRAINSTORMING

- Listening exercise that allows creative thinking for new ideas
- Encourages full participation because all ideas equally recorded
- Draws on group's knowledge and experience
- Spirit of congeniality is created
- One idea can spark off other ideas

CORPORATE TALKS

The Institute or University can organize for corporate talks on scheduled bases it will help to the students by various purpose. The objective of the programme is to bridge the gap between expectations of the Industry from B-Schools and vice-versa. With the help of corporate talk the student will realize that, what are the today's priority of business /corporate and how they meet, and also what the students require to enhance their skills set, how the students should be an innovative and how to cultivate a hobby of thinking out of box.

INDUSTRIAL LIAISON

India's corporations must become true partners in building the management education programs by supplying ideas, knowledge, capital, financial investment, and on-site experience for students, enabling them to learn in real-world situations. They must also understand that to build truly world-class institutions, academic institutions must have the independence to "speak truth to power", to unlock the deep value they are able to bring to Indian society. The Institute can arrange for big events in liaison with industries and social clubs in organizing and managing events etc.

ALUMNI ASSOCIATION

A platform of alumna's should be arranged whereby the students who have passed out from the institute can maintain a liaison with the institution in giving placements, training, etc.

FOREIGN LANGUAGE

With the globalisation of Indian economy, multinationals coming to India and companies going for joint ventures abroad, the job scenario for those proficient in foreign languages has grown rapidly. Many businesses are looking forward of those people who are fluent in other country's languages. Foreign language skill provides a competitive edge in career choices in the contemporary job market. Many companies want their new employees to possess foreign language skills and need people with high levels of proficiency. It eliminates the cultural gaps arising due to miscommunication and promotes effective cross cultural communication between two countries.

MOVING FROM PEDAGOGY TO ANDRAGOGY

Pedagogy has been defined as the art and science of teaching children. Until very recently, the pedagogical model has been applied equally to the teaching of children and adults. Adults learn differently than young people. But more importantly, their reasons for learning are very different. Andragogy, the theory of adult learning, attempts to explain why adults learn differently than other types of learners. Adults often seek out learning opportunities in order to cope with life changes. They usually want to learn something that they can use to better their position or make a change for the better. Adults bring a wealth of information and experiences to the learning situation. Adult learners differ from young learners in respect of demands of learning, role expectation from instructors, life experiences, purpose for learning, and permanence of learning.

The differences between andragogy and pedagogy are presented in the following table.

Dimension	Andragogy	Pedagogy
Demands of learning	Learner must balance life responsibilities with the demands of learning.	Learner can devote more time to the demands of learning because responsibilities are minimal.
Role of instructor	Learners are autonomous and self directed. Teachers guide the learners to their own knowledge rather than supplying them with facts.	Learners rely on the instructor to direct the learning. Fact based lecturing is often the mode of knowledge transmission.
Life experiences	Learners have a tremendous amount of life experiences. They need to connect the learning to their knowledge base. They must recognize the value of the learning.	Learners are building a knowledge base and must be shown how their life experiences connect with the present learning.
Purpose for learning	Learners are goal oriented and know for what purpose they are learning new information	Learners often see no reason for taking a particular course. They just know they have to learn the information.
Permanence of learning	Learning is self-initiated and tends to last a long time.	Learning is compulsory and tends to disappear shortly after instruction.

CONCLUSION

Merely accumulation of information is not knowledge, and complete knowledge by itself does not give by itself the necessary wisdom. The purpose of education is not to produce educated individual at one stretch by putting all information and knowledge into course at one time, but on the other hand it is to awake the individual to progressive stages where he could be on progressive stages in a position to acquire what further information and knowledge he wants for his future activities. B-Schools have to look at the concept of building quality students, transferring them to the corporate world, as well as support managers in their future endeavors. We need to increase the flow of students, strengthen quality in education, pedagogy, develop culture and market the system,

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IMPERATIVES FOR GLOBAL RETAILERS EYEING INDIAN RETAIL MARKET- A STUDY OF WAL MART

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ABSTRACT

As the talks of permitting 100 per cent Foreign Direct Investment (FDI) in Indian retail sector are surfacing, many global retail giants including Wal-Mart have already started deliberating on modalities for proposed entry. Guarantying their success in Indian market however is going to be a tough proposition. Wal-Mart, as a matter of fact, has not yet overcome from its shocking failures in German and South Korean markets. Indian Market, on account of its cultural diversity and peculiar buying behaviour of its people may pose even bigger challenge for it. The present paper attempts to analyse the reasons for Wal-Mart's failure in South Korea and Germany, lessons it can learn from these failures for Indian market and unique challenges posed to it by the Indian market.

KEYWORDS

Organised Retailing, FDI, Wal-Mart.

THE MIGHT OF WAL-MART

One name that strikes mind first when we are talking of retail sector is Wal-Mart. The retail giant is second to none in its business. Rather, it may not be wrong to say that other prominent players of the sector are lagging behind it.

Wal-Mart made a humble beginning in United States of America (USA) in 1962 and never looked back. Before the dawn of 21st century, the retail giant had already overtaken General Motors and Exxon to become largest corporation of the world in terms of revenue. In retail sector, the second player's revenue was one-fourth of that of market leader Wal-Mart. The total revenue of Wal-Mart in 2009 was \$ 240 billion. Carrefour, the second ranked player in retail sector, meanwhile recorded the revenue of \$ 64 billion in the same year. Wal-Mart is the largest employer in retail sector and is presently employing more than 1.4 million employees on its pay rolls.

Buoyed by its success in USA, Wal-Mart made its plans to expand its wings in the global markets in late 1980s. The entire plan was very ambitious as the aim was to have foreign operations contributing a third of Wal-Mart's profit by 2005. Germany and South Korea were two prominent companies in the scheme of things of the company in this regard.

WAL-MART IN GERMANY- A SHOCKING EXIT

Wal-Mart made an entry into the German market in 1997. It followed internationalisation strategy to enter German market. The strategy was to replicate the retail giant's strategy of United States in Germany as well. The strategy was based on the assumption that if the same can bring success in USA's market, it could bring success anywhere else as well. These assumptions perhaps lead to debacle of the retailer in the later stages.

Wal-Mart's entry into the German market started with the taking over of Wertkauf chain at the staggering price of \$ 1.04 billion. Almost one year later, the retail giant took over Intermarche group for \$ 560 million. The organisation had an ambitious target of becoming the undisputed leader of the organised retail market of Germany very soon. However, to the surprise of everyone and to the shock of Wal-Mart it remained an unnoticed minor player in the German market throughout its stay of 9 years in the country. The maximum market share it could attain during the entire 9 years period was merely 1.1 per cent.

Wal-Mart kept on persisting in German market with a hope that its fortunes may improve but it never happened and the retail giant (of USA and certainly not of Germany) sold its 85 odd stores in Germany and bid adieu to the market which, nine years back was certainly one of the most sought after for it.

What went wrong with Wal-Mart in Germany is certainly a billion dollar question. Following are some of the most pertinent reasons for the debacle of Wal-Mart in German market:

- At the outset, the strategy chosen by Wal-Mart for making entry into the German market was not an appropriate one. As mentioned earlier, it chose internationalisation strategy for the entry which called for applying its US strategy in the German market with a hope that the success of USA may be replicated in Germany as well. This, however was backfired as German market's characteristics were totally different to those of the American market. German Government as well as the customers was never found convinced with the strategies of the retailer.
- Wal-Mart's entry strategy, as discussed earlier was marked by acquisition which ultimately proved to be flawed. These acquisitions were not based on strategic reasoning. The retail giant, for instance acquired Spar which was one of the weakest player in the German retail market. It was mostly operating run down stores and that too in the less well off cities of Germany. Wal-Mart, in USA meanwhile had targeted best of the cities. The retail giant thus was never sure of what it was actually doing. Its acquisition strategy was a thoughtless one which ultimately lead to its failure.
- Wal-Mart was very successful in United States of America because of its appeals "Excellent Services and Everyday Low Prices". It used the same appeals in Germany as well but was extremely unsuccessful.

At the outset, the first appeal of excellent services never worked well in Germany. Various surveys conducted on customer satisfaction rated it a below average performer on the said front.

Everyday low prices also proved to be an exaggerated claim. As a matter of fact there were already players like Aldi and Lidl present in Germany who were operating on low price-high volume principle. Wal-Mart could never match their low prices.

At the end of the day Wal-Mart was facing the wrath of the public on account of neither being low priced nor the one which offers excellent services.

- Wal-Mart was in a habit of operating in not so much regulated markets like United States of America. Such a freedom of operation never allowed it to remain in shackles of rules and regulations. It persisted with its flexible policies which lead to the infringement of some important German laws and regulations. Needless to say, it not only faced legal problems but also bad publicity on account of the same
- Cultural issues were also not properly addresses to by Wal-Mart. This lead to resentment not only among the customers but among the employees of the organisation as well. The retail giant, for instance had most of the Americans amongst the top-brass. They were bent on implementing American style

which was not acceptable to German workers. Similarly, cultural greeting and friendliness were taken otherwise by German customers. Wal-Mart, in its stint in Germany could never adjust with German culture which ultimately led to the debacle of the retail king.

- Wal-Mart also made some fruitless talks with competitors like Metro and Globus for store network alliance but failed miserably due to zoning regulations. Ultimately Wal-Mart was not having too many options but to say goodbye to the German market in 2006. It sold its 85 stores at throwaway prices and left the country cursing its luck.

WAL-MART IN SOUTH KOREA- A STILL DISASTROUS EXPERIENCE

The story was not very different in South Korea either. Wal-Mart was lured by rising economy and wealth of the people of the country and entered in South Korea with a lot of enthusiasm in 1998. Its presence in the South Korean market was restricted to nine years only. It left the Korean market in 2007 and to the surprise of one and all it was placed amongst bottom five retailers of South Korea when it left the country. It sold its 16 stores to Shinsegae for merely \$ 882 Million- the amount which was less than its cost of operation in the country.

The reasons for debacle of Wal-Mart in South Korea were not much different to those of its debacle in Germany. The prominent reasons were as follows:

- At the outset, Wal-Mart adopted USA like distribution model in South Korea. Wal-Mart's stores are located outside cities in USA. Following the same approach, Wal-Mart kept the location of its stores outside Korean cities. This was against the liking of Korean customers as they prefer shopping from those places which are in their proximity and which offers wider shopping options to them. Obviously, Wal-Mart stores were in isolation and people were not having access to any other shopping option there. This distribution policy was not thought off and failed miserably in the South Korean Market.
- Wal-Mart kept the product mix almost identical as was kept in the American market. In the American market the retail giant's primary focus was on dry food and electronic items. However, this product mix never worked well for Wal-Mart in South Korea. South Koreans preference was always for fresh fruits and vegetables rather than dry food. Moreover, excellent and exclusive electronic stores were in abundance in the South Korea. The choice of product mix of Wal-Mart proved to be a critical factor in the lackluster stay of Wal-Mart in South Korea.
- The slogan of everyday low prices also never worked well for Wal-Mart in South Korea. The presence of low cost operators never allowed Wal-Mart to charge lowest possible prices from the customers. Supply related issues were also responsible for not so low prices being charged by the retailer. The transportation cost of the Korean customers also shot up as the stores were located in suburbs. The retailer faced the wrath of the Korean customers on price front as well.
- Wal-Mart adopted standardisation policy for promoting itself in South Korean market. The promotion planks which were used in USA were also replicated in South Korea. The cultural diversity of South Korea never allowed Wal-Mart's promotion to be successful in Korea.

WAL MART'S NEW ENDEAVOURS FOR SUCCESS- TARGET DEVELOPING COUNTRIES

Wal-Mart was a broken player as its ambitions for international market were receiving jolt after jolt. Still like a true spirited player it accepted the defeat and started viewing developing and fastest growing economies of China and India as its next destination. In addition to the total economy, these two countries are witnessing tremendous growth in organised retailing as well. Indian organised retail industry, for instance is one of the fastest growing one and is presently witnessing the rise of more than five percent compounded AGR. It is also fetching revenue of \$ 320. Still, attaining success in Indian market is a further daunting task as cultural diversities are far more pronounced. However, ensuring success in the developing markets is a must for the retail giant to keep its reputation of competitive global player intact. Following are some of the key points that Wal-Mart will have to keep in mind for its endeavour in these markets especially India:

- At the outset, Wal-Mart will have to keep patience with the following peculiar characteristics of the Indian customers:
 - Purchase of a few commodities at one particular go and that too in small quantity.
 - Inclination towards doorstep purchase.
 - Purchasing on credit basis.

Obviously organised retailer would not find such characteristics as very conducive for the business. It must keep patience with the same and see what it can do best under the prevailing circumstances.

- The real challenge to the Wal-Mart will not be the organised retailer but small shopkeepers mostly operating in unorganised sector and retaining 96 per cent of the total Indian market. They equally welcome low quantity purchasers, provide proximity advantage to the customers and even are selling goods on credit basis. As discussed earlier, Indian customers look for such shopkeepers only. There is definitely task cut out for organised retailer like Wal-Mart as to how to counter the benefits provided by such small shopkeepers which are omni present..
- Another big challenge before Wal-Mart would be to find land for the proposed stores in India. Most of the developing nations especially India and China are having huge population. Requirement for the agricultural and residential land is also huge. Land is thus a scarce commodity in these two countries. Moreover price of land is sky high especially in metropolitan and other big cities. Wal-Mart will have to think judiciously while deciding the location of the stores in these countries. Availability and cost-benefit analysis will have to be done before hand which somehow was ignored by the retailer in most of the other markets.
- Wal-Mart may have to confront with the protests from mom and pop grocers as well. As discussed earlier, there number is huge in India and these unite themselves to counter any prospective threat from the big retailers. The experience of Reliance Fresh in India with such small players is known to one and all. Wal-Mart need to take lesson from the same and must do its homework in right earnest as to how to counter such apparent protests.
- Wal-Mart will also have to contend with the dysfunctional supply chains as existing in both India. There are very lengthy supply chains and number of middlemen in the entire process is also on the higher side. Wal-Mart might not have faced such long and dysfunctional supply chains in United States of America. It needs to have a clear cut policy so as to cope with this peculiarity of the Indian market.
- As discussed earlier, one of the major reasons for the poor show of Wal-Mart in both Germany and Korea was its non-strategic mergers and acquisitions. It will have to follow similar approach in India as Government has withdrawn its immediate plans to allow 100 per cent FDI in retail sector on account of pressures from all the corners. The retailer would have to give a serious thought to its joint-venture plans keeping in mind its reputation and size. For instance, the retailer has made an alliance with Bharti group in India. Only time will tell how successful the venture will be.
- Wal-Mart will have to adjust its product mix according to the requirements of the country.. Like South Korea, Indians also prefer fresh food and vegetables rather than dry food. Wal-Mart must not repeat the blunder of not adapting its product mix in Korean market in India.
- Wal-Mart also needs to respect laws and regulations of the Indian market.. Needless to say, the retailer is in habit of operating in rather free market settings of USA. It violated rules and laws in Germany on account of this habit and faced the penalties before exit. In developing countries, rules and regulations are bound to be on the higher side. The retailer must take every step in way that the same is not violating such rules.
- The retailer must also use distribution and promotion adaptation strategies rather than standardisation strategy. As discussed earlier, location and promotion fiasco in Korea led to the doom of the retailer in Korean market. The mistake must not be repeated in Indian market. Both these key aspects of marketing mix must be planned according the convenience of the people, cultural settings and legal framework.
- Another issue confronting Wal-Mart in India would be the fact that retail is still not being fully recognised as an industry. The said recognition perhaps exists on papers only. Such a situation hampers easy availability of finance, Government support and so on. This may obviously affect growth and expansion plans.
- Wal-Mart needs to have an excellent tax planning for a country like India. For instance, it would have to face a multiple point control and tax systems in India. It may have to face a multiple octroi at many places. The introduction of Value Added Tax and anomalies in the sales tax system may also have to be confronted with. There is definitely a task cut out for Wal-Mart as to how it would indulge in coping up with complex taxation system.

- Not only in tax planning, Wal-Mart would have to be legally very active and sound as well while operating in countries like India. The presence of strong pro-tenancy laws in the country, for instance makes it very difficult to evict tenants. The problem is also compounded by problems of clear title to ownership, while at the same time, land use conversion is time consuming and complex, as is the legal processes for setting of property disputes.
- Wal-Mart must be very particular that it is not committing HR related mistakes in India and China as it committed in Germany. It will have to recruit and rely on local managers as these are more abreast with psyche of Indian workers and Indian conditions. Further, non-availability of talented and trained manpower would hamper the growth of retail giants like Wal-Mart. The retailer must try to attract the talented workforce and with adequate doze of training the same should tried to be moulded at par with the best in the world.
- Last but not the least with the opening up of the market, the competition for Wal-Mart is not only from domestic organised retailers and those operating in unorganised sector. Wal-Mart will also face the onslaught of global retailing giants. Thus, a proper competitive strategy is also warranted against them.

To sum up, it may be said that prime mistake committed by Wal-Mart in both Korean and German market was working on the assumption that success in these markets may be achieved by replicating American market mode. Socio-cultural, economic and legal dimensions of both these markets were completely ignored by the retail giant. Wal-Mart will face bigger shock if such assumptions are applied in developing markets like India. To attain success, it will have to follow the Mantra of "THINK GLOBALLY, ACT LOCALLY".

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CUSTOMERS' PERCEPTION TOWARDS E-BANKING SERVICES OF THE COMMERCIAL BANKS IN CUDDALORE DISTRICT

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ABSTRACT

E-Banking is spreading all over the world with speed, sometimes at the cost of throwing caution to the winds. This has not only transformed the banking and financial institutions in their modern form, but has also brought a paradigm shift in their attitude to banking operations. In India also, it has strongly impacted the strategic business considerations for banks. It must be noted, however, that while e-banking provides many benefits to customers and banks, it also aggravates traditional banking risks. Despite the low diffusion of technology in India, the momentum of e-banking has picked up recently, led by the foreign banks and the Indian private banks. It is evident from the present study that a majority of the customers are highly satisfied with the e-banking services. Although there are some drawbacks in e-banking like complaints regarding use of ATMs, high service charges and more working hours leading to frustration among the employees but still the e-banking is preferred as the efficiency of the employees working through e-channels is better.

KEYWORDS

e-Banking, services of commercial banks, perception, electronic banking.

INTRODUCTION

In the history of mankind, there have been some revolutionary technological changes, which radically changed the lifestyle, improved the living standards of human beings and started a new era. The information age has ushered in knowledge-based industrial revolution. Information technology shrunk the world as a result of which time and distance have become non-entities to a large extent. The success of the banking is depends largely on the quality services that they provide to their customers. In the era of information technology, electronic banking has become one of the most revolutionized components of today's economic growth. With the proliferation of internet and computer usage, e-banking has become ideal for banks to meet customer's expectations. The famous quote by Bill Gates is "banking is vital to healthy economy, but banks themselves are not highlighting the crucial nature of the electronic forces that are affecting banks more than any other financial service provider group".

The concept of banking has drastically changed from a business dealing with money transactions alone to a business related to information on financial transactions. The new methods of banking practices on account of information technology ensure which service besides reducing cost in banking sector. Computerization in banking is taking place all over the world. The purpose of computerization is to bring technology to counter and enable employees to give information at their fingertips. After the internet penetration, the banking sector has undergone a huge revolution. Internet banking is changing the banking industry and is having major effects on banking relationships. Banking is now no longer confined to the branches where one has to approach the branch in person, to withdraw cash or deposit a cheque or request a statement of accounts.

CONCEPT OF ELECTRONIC BANKING

There are not many inventions that have changed the business of banking as quickly as the e-banking revolution. World over banks are reorienting their business strategies towards new opportunities offered by e-banking. Due to the absolute transparency of the market, client can compare the services of various banks more easily. For instance, on the internet, competitors are only one click away. If clients are not happy with the products, prices or services offered by particular bank, they are able to change their banking partner much more easily than in the physical or real bank-client relationship. From the bank's point of view, use of the internet has significantly reduced the physical costs of banking operations.

The development of integrated, customized financial services is becoming an active area of competition between financial sector organizations. Web-based services have to be more convenient, easier to use, and less expensive than the alternative, to win the loyalty of consumers. The internet enables banks to offer low cost, high value added financial services. Banks are finding that a comprehensive online banking strategy is essential for success in the increasing competition and changes in technology and life styles have changed the face of banking and banks in the present environment are seeking alternative way to provide and differentiate their services.

DRIVERS OF THE E-BANKING SERVICES

The increasing amount of information on the internet and changes in social behaviour has increased the use of e-banking services considerably. These changes resulted growth in users with sophisticated needs. Further, legislation has increased customers' rights and technology and competition have increased their choice of products and providers. Moreover, to succeed in the e-banking arena, banks were transformed their internal foundations to be more effective. Security, which may include protection of consumers' personal data and safe transactions to prevent frauds, is also paramount for the growth of any sort of online trade, including e-banking.

The internet has been integrated with other channels such as ATMs and internal systems to increase its effectiveness. The idea of channel integration was therefore supported by many others. The provision of a pleasant experience on this channel is one of the key factors for success of the channel. Provision of infrastructural facilities is another factor that could lead to quicker diffusion of innovation. Product information content on the web design and layout are important factors that affect customer satisfaction. Therefore, banks usually feed their websites with content such as corporate profile, product and pricing information, interest rates, application forms, etc. beyond the usual contents and make their websites far richer in terms of functionality, to attract a larger number of visitors. More people having access to internet are another factor that determines the demand for e-banking services. Moreover the cost and speed

of internet connections have also been argued to be important elements. The customer confidence on e-banking transactions is yet another factor. This depends on how the banks would deal with any erroneous transactional and security concerns that may occur during online banking.

OBJECTIVES OF THE STUDY

The main objective of this study is to examine the perception of the customers towards e-banking services of the select commercial banks in Cuddalore district. Besides, the study has the following secondary objectives:

1. To study the growth and progress of electronic banking.
2. To study the perception of the customers towards payment services of electronic banking in the select commercial banks in Cuddalore district.
3. To study the perception of the customers towards request services of electronic banking in the select commercial banks in Cuddalore district.
4. To offer suitable suggestions to improve the standard of electronic banking services of the commercial banks in Cuddalore district based on findings of the study.

TESTING OF HYPOTHESES

In order to examine the perception of the customers towards electronic banking services of the commercial banks, the following null hypotheses were formulated and tested. There is no significant relationship among the satisfaction levels of the customers belonging to different demographic profile towards payment services of electronic banking in the select commercial banks in Cuddalore district and There is no significant relationship among the satisfaction levels of the customers belonging to different demographic profile towards request services of electronic banking in the commercial banks in Cuddalore district.

SAMPLING DESIGN

There are 25 public sector commercial banks and 5 private sector commercial banks in operation in Cuddalore District as on December 31, 2009. In order to collect primary data for the purpose of the study, multi-stage sampling technique is adopted. At the first stage 5 commercial banks i.e. 3 public sector commercial banks and 2 private sector commercial banks which are outnumbered in number of branches were selected out of the 25 commercial banks. In the second stage, 10 per cent of the branches i.e. 9 branches were selected out of the 5 selected commercial banks. In the final stage, from each of the branch 30 savings bank account holders and 20 current account holders were selected on the purposive basis for the study. Therefore, the sample size consists of 450 customers.

FRAMEWORK OF ANALYSIS

The ultimate object of the study was to examine the perception of the customers towards e-banking services of the commercial banks in Cuddalore district. The data collected for the purpose of the study were quantified, categorized and tabulated. In order to study the perception of the customers, Kendall's coefficient of concordance, analysis of one-way variance, student t-test, analysis of co-efficient of variation, factor analysis, discriminant function analysis, multiple regression analysis and percentage analysis have been employed. Kendall's coefficient of concordance (w) was applied to find whether there is similarity among the respondents in assigning the ranks on various e-banking facilities and channels used in e-banking. The student t-test and analysis of one-way variance are employed to measure the relationship among the demographic profile of the respondents and their perception towards payment and request services of e-banking. The coefficient of variation is employed to find out consistency in the satisfaction of the respondents towards payment and request services of the e-banking. The Factor analysis technique is applied to find out the underlying dimensions in the set of statements relating to the perception of the customers towards e-banking services of the commercial banks. Discriminant function analysis is used to study how the customers of public sector banks differ from those who are customers of private sector banks in terms of their level of perception towards various attributes of e-banking, satisfaction score on payment services, satisfaction score on requests services and impact score on e-banking. Multiple regression analysis is used to measure the effect of selected independent variables on the impact of e-banking of select commercial banks. Comprehensive descriptive and percentage analyses were also employed to examine the perception of the customers.

CUSTOMERS' PERCEPTION TOWARDS E-BANKING SERVICES OF THE COMMERCIAL BANKS

Customers' perception with respect to motivating factors that induce the customers to prefer E-banking services is as follows;

MOTIVATING FACTORS TO PREFER E-BANKING SERVICES

There are several factors, which motivate the customers of the commercial banks to prefer e-banking services. The staff of the banks and their friends and relatives encourages customers to use e-banking services by explaining to them the advantages of e-banking. The following table depicts the motivating factors of the respondents to prefer e-banking services of the commercial banks in Cuddalore district.

TABLE 1: RESPONDENTS' MOTIVATING FACTORS TO PREFER E-BANKING SERVICES

Motivating Factors	No. of Respondents	Percentage
Easy and convenient access	189	42.00
Confidentiality	231	51.33
Service quality	240	53.33
Time saving	265	58.89
Transparency	197	43.77
Accuracy	245	54.44
Cost saving	321	71.11
Ubiquity	147	32.66
Speed	321	71.33
Social status	129	28.67
Security	234	52.00
Control over funds	123	27.33
Time out feature	271	60.22
Exchange of information	249	55.33

Source: Primary Data.

Easy and convenient access, confidentiality, service quality and time saving are the factors influencing the respondents to prefer e-banking services at 42%, 51.33%, 53.33%, and 58.89% respectively in Cuddalore district. 43.77%, 54.44%, 71.11%, 32.66%, and 71.33% of the respondents are influenced by factors such as transparency, accuracy, cost saving, ubiquity, and speed respectively to prefer e-banking services of the commercial banks. Social status, security, control over funds, time out feature and exchange of information are the motivating factors for the customers at 28.67%, 52%, 27.33%, 60.22% and 55.33% respectively to prefer e-banking services of the commercial banks in Cuddalore district.

The above table (Table 1) and analysis show that, Easy and convenient access, confidentiality, service quality and time saving are the factors influencing the respondents to prefer e-banking services at 42%, 51.33%, 53.33%, and 58.89% respectively. 43.77%, 54.44%, 71.11%, 32.66%, and 71.33% of the respondents were influenced by factors such as transparency, accuracy, cost saving, ubiquity, and speed respectively to prefer e-banking services of the commercial banks.

Social status, security, control over funds, time out feature and exchange of information are the motivating factors for the customers at 28.67%, 52%, 27.33%, 60.22% and 55.33% respectively.

CONCLUSION

E-Banking is spreading all over the world with speed, sometimes at the cost of throwing caution to the winds. This has not only transformed the banking and financial institutions in their modern form, but has also brought a paradigm shift in their attitude to banking operations. In India also, it has strongly impacted the strategic business considerations for banks. It must be noted, however, that while e-banking provides many benefits to customers and banks, it also aggravates traditional banking risks. Despite the low diffusion of technology in India, the momentum of e-banking has picked up recently, led by the foreign banks and the Indian private banks. It is evident from the present study that a majority of the customers are highly satisfied with the e-banking services. The customers prefer e-channels with time and cost utility which provide efficient services. Moreover, banks are uncertain about the regulatory framework for conducting e-business and taxation issues for governing cyberspace present formidable problems. Any successful attempt at governing cyberspace will involve significant international cooperation. Although there are some drawbacks in e-banking like complaints regarding use of ATMs, high service charges and more working hours leading to frustration among the employees but still the e-banking is preferred as the efficiency of the employees working through e-channels is better. If the study provokes the authority concerned to take some positive measures for improving the effectiveness of e-banking, the researcher will feel amply rewarded.

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CUSTOMER RETENTION CHALLENGES IN THE HYPERCOMPETITIVE INDIAN INDUSTRIES**NIDHI KHURANA****ASST. PROFESSOR****ASIA PACIFIC INSTITUTE OF INFORMATION TECHNOLOGY SD INDIA****PANIPAT****AJEET KUMAR PATHAK****ASST. PROFESSOR****ASIA PACIFIC INSTITUTE OF INFORMATION TECHNOLOGY SD INDIA****PANIPAT****ABSTRACT**

Customer plays a very significant role in the growth and development of a company. The volatile market scenario, global economic crisis, ever changing internet technologies, demand – supply gap, e-business, integration of the Indian economy to the global market lead to intense rivalry so, in this era of hyper-competition, the only “Mantra” of success ultimately depends upon the way it retain its existing customers and attracts the new customers. It has been proved by a research that attracting new customers is 5 times costlier than retaining existing customers. During last decade, Indian Industries focused on Communication and Consumerism but now there is a new challenge of retaining consumers for a longer period. A company can retain its customers by delivering satisfaction and it is really becoming more and more challenging for a company. The purpose of the research study is describing and exploring new ways of delivering superior customer value at the same timing focusing on quality, innovation, low cost, strategic flexibility and effectiveness.

KEYWORDS

Customer loyalty management, Customer relationship management, E-CRM, Customer retention and Relationship marketing.

INTRODUCTION

India ranks high on many macro-economic indicators as compared to other emerging nations as a Top destination in the AT Kearney Global Retail Development Index (2007), third largest economy—GDP in terms of PPP (2007), most preferable destination for Services sector (AT Kearney, 2007), stable 8–9 percent annual GDP growth rate in the past 2–3 years, estimated to become the fifth largest consumer market by 2025 (MGI), high growth in FDI inflows in the past 2–3 years, growing potential of Tier II and Tier III cities, emerging middle class, increasing disposable income, number of emerging sectors witnessing growth.

Mckinsey Global Institute analysis shows that if India continues on its current high-growth path, over the next two decades the Indian market will become the world's fifth-largest consumer market by 2025. **Many sectors witnessing growth which has attracted many MNCs to look over India as a major market and on the other hand existing Indian industry is also expanding, this has created hyper-competition in India. Moreover, due to convergence in Industries, it has become very difficult for businesses to analyse who is its strategic competitor? For example if we analyze who is the largest seller of cameras in India? The answer could be Sony, Canon or Nikon but actually its Nokia, who's main line of business, is cell phones not camera.** Reason being cameras bundled with cell phones are outselling stand alone cameras.

In such a volatile market scenario, the economy has driven firms to increasingly focus on becoming more customer-centric. Yet, despite this shift to a customer-centered perspective, not many brands are able to realize their goal of customer satisfaction.

A survey conducted by Greenfield Online said. "India loses Rs 11,640 crore (\$2.46 billion) due to poor customer service every year in revenue due to inability to meet customer expectations,"

As the consumer market in India grows, niches are developing, raising new challenges for consumer companies. One of the biggest challenges of doing any business is formulating a customer retention strategy.

LITERATURE REVIEW AND PROBLEM STATEMENT

Every business needs customers to survive, and it undertakes every possible action to get them. The sole purpose of a business Peter Drucker (1973) is “to create a customer”. Marketing has traditionally focused on market share and customer acquisition rather than on retaining existing customers and on building long-lasting relationships with them (Kotler, 2003). Research done by Gupta et al. (2004) found that a 1 per cent increase in customer retention had almost five times more impact on firm value than a 1 per cent change in discount rate or cost of capital. One of the reasons for the great popularity of customer retention is the recognition that losing a customer means in fact more than a single sale: It means losing the entire stream of purchases that this particular customer would make over a lifetime of patronage (Kotler and Keller, 2006).

A customer retention strategy aims to keep a high proportion of valuable customers by reducing customer defections (churn), Customers already know you, and you, in turn, know something about their needs and buying history from information gleaned from sales transactions, warranty registrations, service calls, and satisfaction surveys. Successful customer retention starts with the first contact an organization has with a customer and continues throughout the entire lifetime of a relationship.

Customer retention is more than giving the customer what they expect; it's about exceeding their expectations so that they become loyal advocates for your brand. Customer retention has a direct impact on profitability. Research by John Fleming and Jim Asplund indicates that engaged customers generate 1.7 times more revenue than normal customers, while having engaged employees and engaged customers returns a revenue gain of 3.4 times the norm.

A focus on customers at the top of the list is usual. As per the Gartner CEO and Senior Business Executive 2010 survey, in year 2010, the existing customers' imperative is a higher priority than attracting new customers (Appendix -1)

Though company spends huge money on market research, survey, data mining, loyalty programs for Customer retention but all goes in vain, the reason being what works for one company, may not work for other Company. The problem statement is to find out the major determinants for measuring Customer retention in India

RESEARCH OBJECTIVES

- 1) To understand the determinants of managing customer retention and how customer retention is actually practiced by companies in India?
- 2) To explore effective ways of retaining Customers

METHODOLOGY

The research design was adopted to explore effective ways of Customer retention. Different news articles, Books and Web were used which were enumerated and recorded and more formal approaches through case studies have been considered.

DETERMINANTS OF CUSTOMER RETENTION

Pricing: Price is the first and foremost element in determining Customer retention which decides the market share and profitability for the product. Each industry has different pricing criteria according to the nature of the Business and specific relationship with the Customer. Today, companies are striving for low cost by operational effectiveness while maintaining the same quality at the competitor's level. Several companies have adopted value pricing which involves reengineering the company's operations to become a low cost producer without sacrificing quality.

Product/Service Quality: To be in business to provide a product also requires providing service. To be in business as a service provider requires recognition of the two components of the service: the service as the product and the service in support of the product. Both are an integral part of customers' buying decision and satisfaction, the loyalty, and the price they will pay.

Customer Experience: is a customer journey which makes the customer feel happy, satisfy, justify, with a sense of being respected, served and cared, according to his/her expectation or standard, start from first contact and through the whole relationship. Unparalleled Customer experience is to move customers from satisfied to loyal and then from loyal to ambassador.

Loyalty: Loyalty is all about attracting the right customer, getting them to buy, buy often, buy in higher quantities and bring even more customers. Organizations interact and communicate with customer on a regular basis to increase customer loyalty. Even if the products are identical in competing markets, loyalty provides high retention rates.

Relationship Marketing: is defined as the identification, establishment, maintenance, enhancement and modification of relationships with customers to create value for customers and profit for organization by a series of relational exchanges that have both a history and a future. The role of RM includes guide moments of truth, improve profitability, build partnering, address 'Customer Better', buy in of customer attention, protect emotional well being, understand consumer psyche, build trust with customer. RM fosters external partnerships through networks and collaborations.

Business Intelligence: By leveraging technology and applying the right business processes and workflows, organizations are making better, more informed decisions, providing better analysis of performance and giving executives the tools to perform rigorous business analysis. The result is reduced costs, better customer retention and higher service profitability.

Customer Maintenance: A company can maintain its customer when company provides unique and suitable products so that product meets differential expectation of range of customers. In India, some products are available in Tier- I cities but not available in Tier II and Tier III cities. This could have an adverse effect on retention rates so easily availability of the product is required to enhance selling power. Another factor is creating exit barriers for customer by designing and customizing product according to their needs.

Customer Expectations: Customer now want the best return for every rupee spend. Expectations are defined as beliefs about a product's or service's attributes or performance at some time in the future and are a key determinant of satisfaction. Expectations are rising fast in the emerging markets like India new technologies and services are being provided so, companies should adopt innovative and differentiate ways to tackle their consumers.

Behavioral variable: A common classification that is used by marketers to describe the Indian population is the Socio-Economic Classification (SEC). The SEC classification is used by most media researchers and brand managers to understand the Indian consuming class. But it is important for marketers to understand the dynamics of change. A large part of consumption is currently being driven by emotional discretionary income, enabling people to spend on things beyond basic necessities such as food, education and shelter.

CUSTOMER RETENTION IN INDIA

Maruti Suzuki high on Customer Satisfaction: According to the J.D. Power Asia Pacific 2010 India Customer Service Index (CSI) Study Maruti Suzuki achieves an overall CSI score of 849 on a 1,000-point scale. The 2010 India CSI Study is based on responses from more than 5,800 owners of more than 60 different vehicle models. The study measures overall satisfaction by examining five factors (listed in order of importance): service quality; vehicle pickup; service advisor; service facility; and service initiation. (Appendix-2)

Hotel Taj West End, Bangalore is known for Brand Loyalty: In Bangalore, demand for 5 star hotels is much higher than supply. Five major players in this segment are Windsor Manor, The Oberoi, Ashok, Le Meriden and Taj West End. The Taj West End hotel is an evergreen favorite in Bangalore. Built in 1887, it was the city's first hotel. The Taj West End is ranked among "Top 10 Best Luxury" Hotels in India according to the 2009 Trip Advisor Travelers' Choice Award reason for highest brand loyalty is its Differentiated service offer through physical ambience.

TCS provides Customer interaction management (CSI) services: TCS offers its Customer Interaction Management Services that are benchmarked with global best-in-class standards to enable continual improvement and transformation. TCS' services include the following specialized offerings: Inbound customer service, Helpdesk / Service desk, Retention services, Up-sell / cross-sell, Escalation desks, Customer satisfaction survey management, Call quality management service, Work-force management services. TCS focused technological solutions in the areas of learning & development, call routing & management, real-time performance management and business analytics helps in transforming the CRM capabilities of businesses.

Airtel core competency lies in updating its Business according to market requirement: Two factors Mobile Number Portability or MNP and the launch of 3G in India have come into play that has forced most operators to pull up their socks and innovate.. The efforts of the operators can be seen in **Cellular Operators Association of India (COAI)** Report on the state of the Indian Telecom Sector. Airtel top the list with **28.26% Market Shares**. Airtel have a comfortable lead, and no one seems close to catching up with them. (Appendix-3)

SBI uses CRM as a key weapon: The use of technology has placed Indian banks at par with their global peers. Anywhere banking and anytime banking has become a reality. The core solution allows SBI to move many front office functions into the back office and free up branch resources to focus on banking sales and customer service. The front and the back office functions have a natural synergy, combining to provide an overall value that is greater than the sum of the components parts. Going forward, the core system will help reinforce and support SBI's dominance into and beyond the Indian marketplace.

EFFECTIVE WAYS OF RETAINING CUSTOMERS IN INDIA

- It is required to segment customer based on their value and ever changing needs then to use to knowledge for cross selling and up selling
- Price and Quality have always become the most important selection criteria for consumers so company must prioritize it
- Deliver superior customer service so as to meet the customer expectations
- Company can win hearts of the customers only if it is customer centric. (Appendix-4)

RECOMMENDATIONS

Technology: Technologies have been developed to allow smaller businesses to take advantage of software. Web-based collaboration tools, allows sharing information with employees easily and securely over the internet, helps managing projects and improve customer retention.

Holistic Marketing: is very fresh marketing concept. To be truly holistic, the marketing approach should address all appropriate venues to get the word out about the business, while keeping the strategy aligned with the values of the people involved with the business.

Strategic Lock-In: The lock-in strategy--in which a company "locks in" customers by creating a high barrier to switching to a competitor--has, over the past decade, gained new ground with New Economy companies and helps in retaining customers.

Synergy: using synergy organizations maintain their profitability through working in a way to make sure that all the parts of business work together towards the same end, thereby making sure the whole really is greater than the sum of the parts.

Trade-off: is when a company may lose one aspect of something in respect of gaining another aspect. In that situation, company can take better decision based on the importance given by consumer to these aspects.

Culture: Customer very thoughts and actions are dependent on their culture. Understanding the culture of India is a key to successful business relationships.

Apart from the above, **employee Retention and turning Customer into ambassador with superior customer experience** are other major considerations for effective customer retention.

CONCLUSION

Though many research articles have been written on customer retention in specific sector but focus has not been laid on all sectors in India in which service has taken a new significance and dimension. Currently, service is equally important in all the sectors and the way how the customers are served is the biggest challenge of customer retention. Through this article, many determinants came into picture for Customer retention and efforts have been laid to identify new ways of retaining customer. The research article provides a further scope of research into the area of customer retention with the changing Indian Business Environment.

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APPENDICES

APPENDIX-1

Table 1. Top 10 Business Priorities in 2010

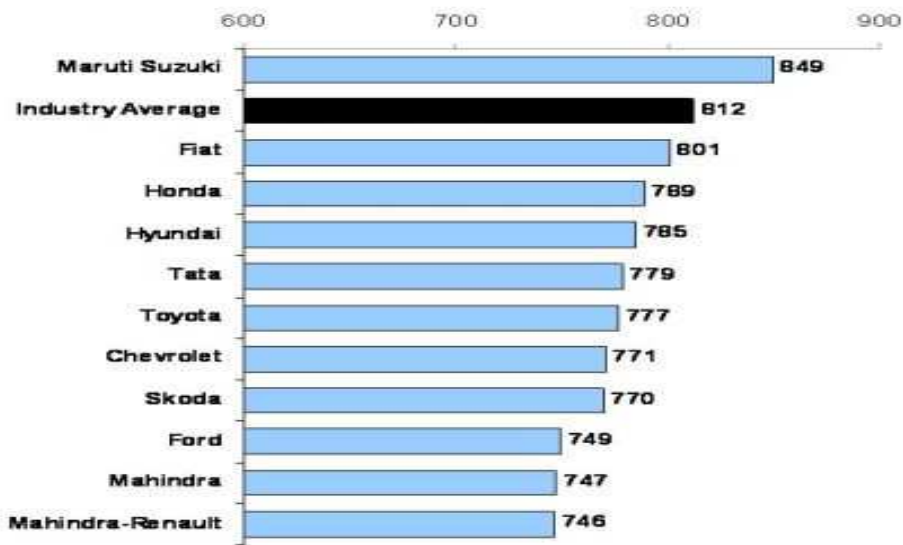
Rank Order	Business Priorities	Mean Rating Score
1	Retaining and enhancing existing customers	6.32
2	Maintaining competitive advantage	6.10
3	Attracting new customers	6.08
4	Attracting and retaining skilled workers and talent	6.03
5	Reducing costs via better efficiency	5.80
6	Balancing short-term goals with long-term strategy	5.74
7	Focusing on core competencies	5.73
8	Improving management decision making via better information and analysis	5.70
9	Building a responsive, flexible organization	5.62
10	Fostering innovation	5.59

Source: Gartner (March 2010)

APPENDIX-2

**J.D. Power Asia Pacific
2010 India Customer Service Index (CSI) StudySM**

Customer Service Index Ranking
Based on a 1,000-point scale



NOTE: Included in the study but not ranked due to small sample size are: Mercedes-Benz, Mitsubishi and Volkswagen.

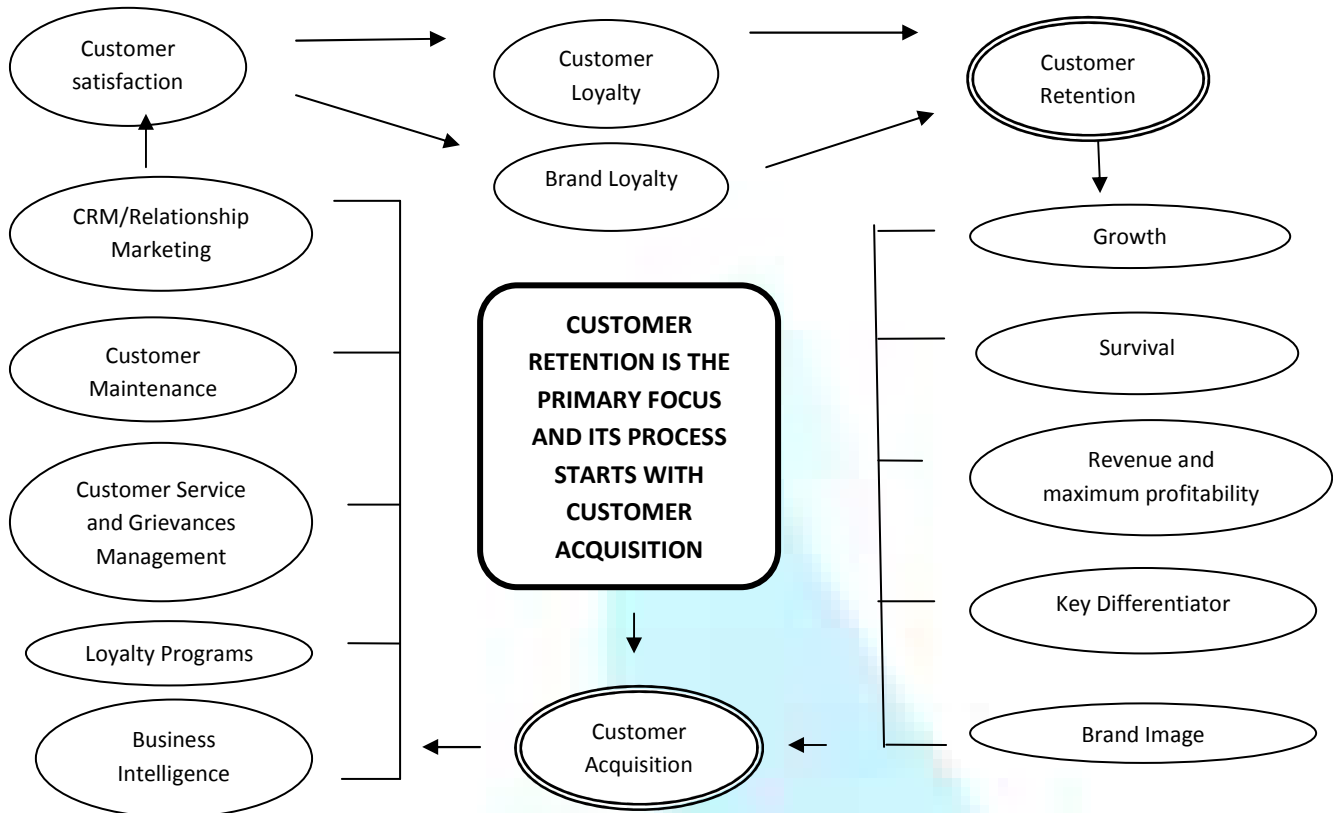
Source: J.D. Power Asia Pacific 2010 India Customer Service Index (CSI) StudySM

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APPENDIX-3

Group Company wise % market share - Jun'2011

Sl. No.	Name of Company	Total Sub Figures	% Market Share
1	Bharti Airtel	16,91,86,247	28.26%
2	Vodafone Essar	14,15,19,840	23.63%
3	IDEA	9,51,08,818	15.88%
4	BSNL	8,84,61,492	14.77%
5	Aircel	5,79,80,752	9.68%
6	Uninor	2,63,30,211	4.40%
7	Videocon	71,29,886	1.19%
8	MTNL	52,36,171	0.87%
9	Loop Mobile	31,50,308	0.53%
10	Stel	33,17,414	0.55%
11	Etisalat	13,58,535	0.23%
	All India	59,87,79,674	100.00%



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ABSTRACT

The organization follows specified framework which constitutes of various elements in it. All these elements are interdependent and have specific flow of authorities and responsibilities. Organizations are under constant pressure to create synergies in the resources under their control. There are various approaches to understand the nature of the organizations framework. This paper explores the various frameworks of organizations and attempts to find out the possibility of service innovation in each framework. It explains how ICT can be used to implement innovation inside and outside of the organizations. This paper also discuss about the various problems associated with innovation implementation in the organization and application of various ICT tools at appropriate places in the origination.

KEYWORDS

Framework, Innovation, ICT, Organization.

INTRODUCTION

Today in all types of organization there is increase in automation due to the rise of information and communication technologies (ICT) which has shifted traditional organizations into knowledge-intensive service industries (Chesbrough, H., Spohrer, J., 2006). This has given great scope for inside and outside organizational innovation. This paper will deal with the question of how to innovate inside and outside of the organization. An attempt will also be made to answer various other sub questions like how to innovate, where to innovate and how to deal with the various hurdles in innovation implementation in the organization with the help of ICT.

All kind of innovations are originated after processing the information and knowledge (Miles, I., 2008). The successful innovations transform the existing activities into more superior activities inside and outside the organization. Hence organizations need to have very strong information and knowledge management system which stores valuable data and information. ICT has enabled the information management and information access very efficiently to support various innovative organizational transformations (Terri L. Griffith, 2003).

All type of organizations has their own predefined structure. The structure constitutes of different elements which are linked together to execute regular activities in the organization. While working inside of the origination all departments and individual working in it are responsible for production of services and products. All the activities associated with production of services and products needs various resources. If organization doesn't provide all the resources efficiently it will hamper its future growth. Many organizations are striving hard to find out the best services to manage their resources, to cut down production cost and improve profitability of the organization.

Outside of the organization there are many other elements like vendor/suppliers, distribution channels and customers etc. All these external factors provide various services to help the organization to keep running profitably. This is also very critical task to maintain proper communication among all the external agencies and coordinate their efforts for more profitability.

In both inside and outside of the organization there is always great scope for improvement in existing process and practices. The innovation plays important role for the further development of process, practices and products. The various ICT tools and techniques are useful for innovative developments. The resources inside the organization can be managed for more productivity and profitability. The external elements can be coordinated efficiently to generate more profit.

The plan of the paper is like; section 1 gives briefs idea about the organization and possibility of innovations. Section 2 focuses light on possible ICT innovations inside the organizations having different framework and four dimensions of innovations. Section 3 speaks about possible ICT innovations outside the organizations, it discuss about competencies and vectors of innovation. Section 4 talks about the hurdles in organizational innovation and how to deal with it. And at last Section 5 concludes the research paper.

INSIDE INNOVATION

Organizations have different elements which are interlinked together. These elements are interdependent and provide varied services to each other to facilitate the functioning of the organizations. There are different theories proposed to explain the concept of service system in the organization. (S. Alter, 2008). These frameworks help to understand the nature of service systems to make all the services more productive to the organization. These frameworks are also useful to find out all the possibilities of innovations inside and outside of the organization. The various frameworks and the innovation through it is explained as below-

WORK SYSTEM FRAMEWORK

A work system is a system in which human participants or machines perform work using information, technology, and other resources to produce products and services for internal or external customers. Information systems, projects, and supply chains are all special cases of work systems.

In this type of approach ICT is important tool to coordinate the activities of human being and also to control the machines. The information system in the organization is major data house to support the system approach. The all sort of information stored in information system can be used strategically.

To support work system organization we can also use another ICT tool know as supply chain management (SCM).

A supply chain is a network of facilities and distribution options that performs the functions of procurement of materials, transformation of these materials into intermediate and finished products, and the distribution of these finished products to customers. Supply chains exist in both service and manufacturing organizations, although the complexity of the chain may vary greatly from industry to industry and firm to firm. Supply chain management is typically viewed to lie between fully vertically integrated firms, where the entire material flow is owned by a single firm, and those where each channel member operates independently. Therefore coordination between the various players in the chain is key in its effective management. Cooper and Ellram [1993] compare supply chain management to a well-balanced and well-practiced relay team. Such a team is more competitive when each player knows how to be positioned for the hand-off. The relationships are the strongest between players who directly pass the baton, but the entire team needs to make a coordinated effort to win the race.

THE SERVICE VALUE CHAIN FRAMEWORK

This service system approach focus on value creation inside and outside of the organization. While working as system the interdependent elements offer different services to each other through the various activities. All these activities are considered to be helpful for value creation to each element in the system.

The service value chain framework augments the work system framework by introducing activities and responsibilities that are associated with services. Every element of the framework is important for many service systems, although some may not be important for specific service systems. The service value chain

framework outlines service-related activities and responsibilities of both the service provider and the customer. These activities may occur before, while, and after a specific service is delivered to a specific customer.

Organization can implement various innovative ICT tools for value creation like ERP (Enterprise Resource Planning) is a way to integrate the data and processes of an organization into one single system. Usually ERP systems will have many components including hardware and software, in order to achieve integration, most ERP systems use a unified database to store data for various functions found throughout the organization.

The term ERP originally referred to how a large organization planned to use organizational wide resources. In the past, ERP systems were used in larger more industrial types of companies. However, the use of ERP has changed and is extremely comprehensive, today the term can refer to any type of company, no matter what industry it falls in. In fact, ERP systems are used in almost any type of organization - large or small.

In order for a software system to be considered ERP, it must provide an organization with functionality for two or more systems. While some ERP packages exist that only cover two functions for an organization (QuickBooks: Payroll & Accounting), most ERP systems cover several functions.

Today's ERP systems can cover a wide range of functions and integrate them into one unified database. For instance, functions such as Human Resources, Supply Chain Management, Customer Relations Management, Financials, Manufacturing functions and Warehouse Management functions were all once stand alone software applications, usually housed with their own database and network, today, they can all fit under one umbrella - the ERP system.

WORK SYSTEM LIFE CYCLE MODEL (WSLC)

Both the work system framework and the service value chain framework represent static views of how a service operates at a particular point in time. The WSLC is an iterative model based on the assumption that a service system evolves through a combination of planned and unplanned changes. The planned changes occur through formal projects with initiation, development, and implementation phases. Unplanned changes are ongoing adaptations and experimentation that change aspects of the work system without performing formal projects.

The real challenge organization faces for this kind of service approach. This explains about the change which is uncontrollable over period of time in future. There are many factors responsible for changes inside and outside the organizations.

Organizations themselves are responsible for majority of changes. Most of the organizations plan for expansion, diversification, and modernization. All these changes have effect on the organizational elements.

There are various innovative ICT tools available to accommodate above mentioned changes. Organization planning for change can make provision in existing processes with help of own development team or can take the help of experts and seniors in the organization who can work with internal team. The team formed should have proper mix of senior and junior experts working in the organization. This is very good strategy of knowledge management in the organization. This will help to transfer all tacit knowledge to the various members of development team. All the team members can use the various ICT tools like MIS (Management Information System), Project Management Software and Data Warehousing software to design and implement all future changes.

According to Den Hertog (2000) that the service innovation is better thought of in terms of four dimensions of novelty: Service concept, Client interface, Service delivery system, and Technology. Innovation in each dimension involves particular sources of creativity and knowledge, raising issues of organization and management. Many service innovations involve some combination of these four dimensions. For instance, a new IT system (technology dimension) may be used to enable customer self-service using a web site or automatic teller machines (interface dimension), or to enable a customer to determine the location of an item handled by a freight service (new service concept). A new service will often require a new service delivery system and changes to the client interface. A service innovation mainly involving one dimension may trigger the need for changes in other dimensions (Miles, I., 2008).

OUTSIDE INNOVATION

Outside of the organization both technological and non-technological forms of innovations are possible (Gallouj, 2002a). In majority of the organizations the services and products are sold together and there is always scope for innovation in both (Gadreyet al., 1995; Grönroos, 1998; Shostack, 1987; Sundbo, 2001).

Gallouj and Weinstein proposed the model in which services and goods are represented by four vectors of characteristics and competencies: a vector of outcome characteristics, a vector of the provider's competencies, a vector of the provider's technological characteristics and a vector of the client's competencies. Innovation is defined as any change affecting one or more terms of one or more of the vectors. According to this model outcome characteristic of any organization depends on what kind of technology the organization is using to produce the outcome; and what experience is having as expertise (Competencies) in the respective area of operation is major concern. This model also focuses on the client competences to facilitate the innovation.

The further study by Erik J. de Vries (2006) proposed modification in above model which suggested one additional vector of client technology. According to this model clients can use their own technology in innovation of outcome of the organization. This model proposed outside innovation with customer involvement in service development and innovation. Organizations can think of developing user friendly technologies which can be used in service delivery. User can have access to these newly developed technologies and will be able to use in value creation through it.

Organizations can think and find out the most suitable form of change in any of the vectors to develop organizational innovation.

Innovation in organization is most of the time considered as product innovation happens in R & D department. This is very narrow view of innovation in organization. The Consortium for Service Innovation has observed that innovation in services cannot happen in R&D labs nor be engineered in ways we have engineered products. We feel this is true for two reasons. First, the customer is not sufficiently present in the R&D and product engineering process. Second, the traditional approach is based on a manufacturing model that is good at producing tangible products, but not well suited to intangible, value-based services. We believe business has to develop organizational models or systems where customer involvement and innovation is both persistent and inherent in the system.

Organization can involve their customers by knowing their requirements through market research. The conventional market research is how to economize on the acquisition of reliable need-related information that allows product developers to create exactly the products consumers want. Product developers, however, face the problem that need-related information is inherently ambiguous—consumers may not be able to articulate their needs clearly (von Hippel, 1986), or their needs may change as they use a given product (Rosenberg, 1982).

Von Hippel (1998) has proposed alternative option as a possible way of bypassing information acquisition for product development. The idea has now been concretized in the notion of "user toolkits for innovation" (Thomke and von Hippel, 2002; von Hippel, 2001; von Hippel and Katz, 2002), which solves the problem by simply offering consumers the tools they need to customize essential parts of products themselves. This leaves some essential problem-solving activities up to consumers, which in turn may call for renewed considerations concerning the organization of product development.

It is often a very costly matter for firms to understand user's needs deeply and well. Need information is very complex, and conventional market research techniques only skim the surface. Deeper techniques, such as ethnographic studies, are both difficult and time-consuming. Further, the task of understanding user needs is growing ever more difficult as firms increasingly strive to learn about and serve the unique needs of "markets of one," and as the pace of change in markets and user needs grows ever faster. Indeed, firms at the leading edge of these trends such as custom products manufacturers are finding that conventional solutions are completely breaking down, and that a whole new approach is needed if they are to be able to continue to produce products and services that accurately respond to their users needs. Fortunately, an entirely new approach is being developed on the basis of patterns evolving in a few high tech fields. In this new approach, manufacturers actually discard their increasingly frustrating efforts to understand users' needs accurately and in detail. Instead, they learn to outsource key need-related innovation tasks to their users, after equipping them with appropriate "user toolkits for innovation" (Lars Bo Jeppesen, 2005).

To solve a problem, needed information and problem-solving capabilities must be brought together-physically or "virtually"-at a single locus. The need to transfer information from its point of origin to a specified problem-solving site will not affect the locus of problem-solving activity when that information can be shifted at no or little cost. However, when information is costly to acquire, transfer, and use - is, in our terms, "sticky" - we find that patterns in the distribution of problem solving can be affected in several significant ways. The application of user toolkits can be useful to develop sticky information for the organization at very low cost.

The changes in the organization continue to rush in from all directions. Organizations taking the advantage of the global internet which is flooding the marketplace and commoditizing services. The new technologies release new offerings far faster than the timeframe. The traditional communication service providers are launching new value-added services. Scores of subscribers are switching from traditional land-line services to new service options available over high-speed internet. And many are dropping landlines altogether in favor of wireless services.

All organizations are now expecting innovative services and offerings. The ICT companies not only need to deliver these new services—and deliver them more rapidly—they must also find ways to operate more flexibly and efficiently in the face of the challenging competitive environment.

We can find out the various forces that are shaping the ICT landscape and the role collaboration technologies can play in overcoming service challenges and reining in costs.

CONVERGENCE, MARKETPLACE FORCES AND NEW REALITIES IN ORGANIZATIONAL INNOVATION

The more advancement in the internet and the telecommunications industry has evolved rapidly and dramatically. Traditional voice services have been commoditized, replaced by people communicating in ever richer, more complex ways that are enabled by new technology. It has made possible for organizations to provide more live and interactive communication, and advanced automation in all areas.

The rapidly changing behaviors of organizations and the degree of choice as a subscribers organizations have in providers and the ease with which they can switch made all ICT innovations possible at all corners of the organization.

All the organizations are now more intertwined with media and IT widespread convergence. It has occurred both inside and outside of the organization.

HURDLES FOR INNOVATIONS IN THE ORGANIZATIONS

People involvement and knowledge managements are prime concerns for organizational innovations. Peoples in the form of team and knowledge management are two areas that are often fruitful in providing increased value when carefully managed. Teams can increase capability, flexibility, and responsiveness (for a review, see Leavitt 1996), while knowledge management is believed to be crucial to organizational performance (Berman et al. 2002; Kogut and Zander 1992; Liebeskind 1996). It is big challenge to form the team of people scattered at different physical locations and transfer and share the knowledge. The ICT made it possible to tackle the above mentioned problem of team formations and now virtual teams can be formed globally to work together on common platform of innovation. Technology may provide a means of structuring teamwork, enhance the information available to the team, and provide a communication system (McGrath and Berdahl 1998).

Most of the time people working in the organizations resist both technological and non-technological innovations. In this case an innovation as management fad or fashion makes it easy to accept and implement successfully (Abrahamson, E., 1991). Benders J. and Kees van Veen (2001) proposed that management fashions are best conceptualized as 'the production and consumption of temporarily intensive management discourse, and the organizational changes induced by and associated with this discourse'. This has been explained explained on the basis of variety of empirical work on Business Process Reengineering in the Netherlands.

CONCLUSIONS

Information and knowledge are considered as major source of innovation in all type of organizations. The existing activities and process can be transformed into more productive and efficient form with the help of successful innovations. Hence organizations need to have very strong information and knowledge management system which stores valuable data and information. ICT has enabled the information management and information access very efficiently to support various innovative organizational transformations.

All type of frameworks of organization have scope for innovation at appropriate places.

In work system framework organizations follow system approach in which human participants or machines perform work using information, technology, and other resources to produce products and services for internal or external customers. In this type of organization ICT enabled innovation like SCM (Supply Chain Management) is very appropriate to improve the efficiency of the organizations.

All the activities in organizational framework are supposed to be performed for more value creation. In services value chain framework companies can think of more interactive type of innovation. ERP (Enterprise Resources Planning) is one such innovative tool which is more comprehensive and helpful to create more value through various company operations.

Over period of time organizations think for various changes like expansions, merger, and diversifications etc., like in the work system life cycle model. These types of changes require huge information and data management which can be used strategically. Organizations can form team of experts from all levels to facilitate efficient tacit knowledge transfer with various ICT tools like MIS (Management Information System), Project Management Software and Data Warehousing software to design and implement all future changes.

The various researches shows that the service innovation is better thought of in terms of four dimensions of novelty: Service concept, Client interface, Service delivery system, and Technology. The change in any one dimension can lead to successful innovation.

All the services and goods can be represented by four vectors of characteristics and competencies: a vector of outcome characteristics, a vector of the provider's competencies, a vector of the provider's technological characteristics and a vector of the client's competencies. The change in any one of the vector can led to the organizational innovation. Hence organizations can think of changing the above mentioned vectors strategically to innovate. The further research also proposed the one more additional vector of client technology which gives more scope of innovation outside the organization.

The innovation in the organizations is not considered a complete innovation until the organizations involved their customers into innovation process. Organizations can use various user toolkits to know the customer requirements and can generate valuable information (Sticky) for the organization.

The advancement in in the internet and the telecommunications industry made possible the more live and interactive communication and the advanced automation at all corners inside and outside of the organizations.

The major hurdle in any innovation is to get people together in the form of team. It is big challenge to form the team of people scattered at different physical locations and transfer and share the knowledge. The ICT made it possible to tackle the above mentioned problem of team formations and now virtual teams can be formed globally to work together on common platform of innovation. The ICT tools also facilitate knowledge management among the various teams across the globe.

People working in the organizations resist both technological and non-technological innovations. In this case an innovation as management fad or fashion makes it easy to accept and implement successfully.

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CREATING A SYSTEMATIC TRADING PLAN WITH AT THE MONEY CALENDAR CALL SPREAD IN NIFTY**PRIYANKA VASHISHT****ASST. PROFESSOR****BADDI UNIVERSITY OF EMERGING SCIENCES & TECHNOLOGY****BADDI****ABSTRACT**

In the retail investor segment, brokers receive meagre brokerage revenues from the Options segment of Stock Market. Retail Investors have limited or no knowledge about options segment of the market, and also there is a huge perception among them that trading options is extremely risky. Thus, there is a need to create a Systematic Trading Plan in options which carries low risk and is easy to understand. A Research was conducted in Nifty (Index of National Stock Exchange) to quantify the risk and returns for At the Money Calendar Spread (An Options Strategy). Quantitative results are shown by applying At the Money Calendar Call Spread in Nifty for a period of 42 weeks, and results show remarkable profits with low risk by acting only twice on monthly basis at a prescribed time, and in a prescribed simplistic manner. Even a beginner in stock market can take such simplistic decisions. By entering At the Money Calendar Spread in Nifty on first day of a week before Current Month Expiry in a prescribed manner, and exiting on current month expiry, traders can make a net annualized return of 44%.

KEYWORDS

At the Money Calendar Call Spread, Fixed entry and exit points, Nifty Options, Simplistic decisions, Systematic Trading Plan.

INTRODUCTION

If we analyze the average brokerage received from the retail traders (with lack of in-depth knowledge of Stock Market) by leading brokerage houses from different segments of Stock Market, Brokerage from Options segment is the least. Options are a relatively newer segment in Stock Market, and retail traders have limited knowledge of the same. They mainly follow basic Option strategies involving low margin requirements like Long Strangles and Long Straddles. These strategies work only if there is a huge move in the Stock (More than 5-6%) in either direction from the point of entry till expiry of Monthly F&O Series. This often is not the case, and traders end up with 100% loss of their capital invested in these strategies (because of time decay of premium) on expiry. This has created a Perception among retail investors that Options are highly risky instruments of trading. This Perception partially explains the reluctance of retail traders to allocate funds to options segment, and thus explains the lack of revenues of Stock Brokers from this segment. To boost the trader sentiment, and to help the brokers to increase their revenues from Options segment, there is a serious case of educating retail traders about the relatively safer strategies in Options. Leading Stock Brokers often organise investor camps for their clients. They can explain these strategies to their clients/ prospective clients in such camps. However, considering the average awareness level about options among general retail traders/ prospective traders, there is a need to create a Systematic Trading Plan in Options which has low risk, is easy to explain, and can be easily implemented by the traders/ prospective traders.

Calendar Spread is a relatively safe strategy in Options. Calendar Spread involves simultaneous buying and selling of equal quantity of options of the same stock and type with same strike price but different expiration Months. In Calendar Spread, far month options are bought, and near month options are sold. Calendar spread can be created with both Calls and Puts, and is also known as time spread or horizontal spread. When this strategy is created by using calls, it's called Calendar Call spread. Near month options depreciate faster than far month options, and this is the essence of this strategy. Maximum gains are pocketed if the Stock remains neutral. This will ensure almost total depreciation of near month options on expiry. Far month options will still have substantial premiums attached to them, and hence result in reasonable profits for the traders. Important to note about Calendar spreads is that they will give profits only in a certain range. The profit range will vary with the different strike prices chosen, as well as with entry at different time points. If stock moves out of this range, either on the upside or on the downside, losses are limited. Absolute losses on expiry will depend upon how far away the stock is from the chosen strike price. On breakdown towards the downside, near month shorted call will become zero and will give maximum possible profit. However, more the stock falls from the chosen strike price, more will be the fall in far month bought call, and more will be the losses. As Option premiums can never be negative, the total loss will remain restricted. Maximum Loss will be limited to the difference between the premium paid to buy far month call, and the premium received by selling the near month call. On breakout towards the upside, as the stock price rises above the chosen strike price, there will be an increase in premiums of both bought and sold calls. If the chosen strike price becomes deep in the money, both the near month and far month calls will approach their intrinsic or expiry value (which will be the same for both near month and far month calls). Maximum Loss in this case will again be limited to the difference between the premium paid to buy far month call, and the premium received by selling the near month call.

In Indian Stock Markets, highest volumes in Options come from Nifty. A Research was conducted in Nifty by entering Calendar spread during different time points in a monthly F&O series. Aim of this research was to create a Systematic and Simple Trading Plan for retail traders which has low risk, is easy to explain, is easy to implement by the retail traders, and earns decent profits. This can be introduced by the Stock Brokers to their retail clients/ prospective clients in the Investor Camps, or through mailers. At the Money Strike price was chosen for creating Calendar Spread, and Monthly Expiry was chosen as the Exit Point. Time Period for research was between January 2008 and June 2011.

OBJECTIVES OF RESEARCH

Objectives of Research are summarized as under:

- To create a Systematic Trading Plan with Low Risk At the money Calendar Call Spread in Nifty
- To create the plan in such a manner that it is easy to understand by the Retail Investors, and is also perceived as a low risk trading instrument
- To help increase revenues of brokers from options from the retail investor segment

RESEARCH DESIGN

Nifty was the Stock chosen for research. Analysis of Historical Options data for Indian Markets suggests that Nifty generates the highest volumes in Options (In both quantity and Rupee terms). Nifty is thus the most liquid stock in options, and hence was chosen for research. Apart from a few other stocks like Reliance and State Bank of India, liquidity in options is much lower. Calls of At the Money strike price were chosen to create calendar spreads. At the Money Calls were chosen as this strike price gives maximum time value in near month series. As discussed above, the essence of this strategy is that current month calls depreciate faster than far month calls. To gain maximum from this, we need to select strike price with maximum time value.

It was assumed that one call of near month (current month) expiry at the money strike price was sold (shorted), and against this, one call of far month (next month) at the money expiry was bought.

Each F&O series in NSE (National Stock Exchange) lasts for 4-5 months. This series expires on last Thursday of each month, and next series starts on the next working day. Traders can trade in current month and next two month series at any point of time. Expiry for current month series was chosen as the reference point for research. This was also chosen as the exit point for Calendar spread. Four different time points during current month series were chosen as entry points for the strategy. These points were first working day of three weeks before expiry, first working day of two weeks before expiry, first working day of a week before expiry, and first working day of expiry week. At the beginning of a series, more time value is attached to the calls, and as the expiry approaches, this time

value depreciates. The implication for research is that different entry points may give different results. Entry near to expiry may mean expiry happening in the desired profitable range. However, this may also mean lesser time value for both current month and next month calls, and hence lesser profitability. On the contrary, entry during early part of the series will get better time value. However, as the expiry will be farther, its probability of happening in the desired profitability range will be lesser. Early entry will give more profits than later entry if the expiry happens in the desired profitability range. These four entry points were named as Entry Point 1, Entry Point 2, Entry Point 3, and Entry point 4 respectively, with Entry Point 1 being the earliest entry, and Entry Point 4 being the later entry. Opening price for the selected strike price calls was noted from the NSE website as Entry Price. Similarly, Settlement price on Current month Expiry (for both current month and next month calls) was noted from the NSE website as squaring off price.

Nifty can be traded in Strike prices with a difference of 100 (as per regulation). There was a brief period of a few months in 2008-2009 when Nifty fell below 3000, and Strike prices with a difference of 50 were available. However, volumes in the middle strike prices ending in 50's were meagre. Moreover, to maintain uniformity for the whole time period of research, only Strike prices ending in 100's were considered. At the Money Strike Price was chosen as follows:

- a) If Nifty opened exactly on the entry day at 100s, the exact Strike price was chosen to enter Calendar Spread. For instance, If Nifty opened at 5100, the same Strike Price (5100) was chosen as At the Money Strike Price.
- b) If Nifty for instance opened above 5100 and below 5150, 5100 was chosen as At the Money Strike Price
- c) If Nifty for instance opened above 5150, between 5150 and 5200, 5200 was chosen as At the Money Strike Price.

Uniform procedure was followed at each entry point every month to maintain uniformity of Research.

Time Period chosen for research was between January 2008 and June 2011. A total of 42 monthly F&O series were covered for research during this time period. Nifty was at its peak in January 2008. It started falling in the following months, and reached almost its 1/3rd level in October 2008. It remained in an extremely bearish phase till March 2009. Then there was an extremely bullish phase from April 2009 to December 2010. Nifty regained its peak in this period. This was followed by a range-bound phase from January 2011 to June 2011. The findings were subdivided in to three different phases as follows:

- a) Bearish Phase- January 2008 to March 2009
- b) Bullish Phase- April 2009 to December 2010
- c) Range Bound- January 2011 to June 2011

This would enable the Stock Brokers to explain behaviour of Calendar Spreads during different phases to the retail traders.

Calendar Spread strategy in question requires simultaneous buying and selling of Calls of different expiries, but with the same Strike Price. On an average, the prescribed margin for selling one Call of Nifty is 10%. However, since this particular strategy involves simultaneous buying of a Call with the same strike price, Brokers keep a margin on an average of around 7%. If for instance Nifty was at 5000, margin required for entry in this strategy was 7% of (5000 x 50), where 50 is the lot size of Nifty. Margin required in our example thus comes out to be Rs 17500. Opening level of Nifty at different entry points was chosen for calculating margin requirements. Average margin required during overall and different sub-periods was chosen as reference investment for calculating profitability.

Annualized return was calculated as follows:

- 1) **Entry Point 1** was first working day of three weeks before expiry week. Since margin was required for only 25 calendar days every month, annualized return was adjusted accordingly.
- 2) **Entry Point 2** was first working day of two weeks before expiry week. Since margin was required for only 18 calendar days every month, annualized return was adjusted accordingly.
- 3) **Entry Point 3** was first working day of one week before expiry week. Since margin was required for only 11 calendar days every month, annualized return was adjusted accordingly.
- 4) **Entry Point 4** was first working day of expiry week. Since margin was required for only 4 calendar days every month, annualized return was adjusted accordingly.

Brokerage & Taxes are accounted for in the calculations @ Rs 25/ Lot. At entry point, Brokerage & Taxes are charged on all the two call options of the strategy. However, on expiry, Brokerage & Taxes are charged for only in the money Options (at the time of expiry). Traders need not exercise out of the money options and can let them expire without paying Brokerage & Taxes.

TABULATION OF RESULTS

TABLE 1: NET ADJUSTED ANNUALIZED PROFITS (RS) AT DIFFERENT ENTRY POINTS

S.no	Series	Entry Point 1	Entry Point 2	Entry Point 3	Entry Point 4
1	June-11	-100	-200	-1700	-2050
2	May-11	-2925	-2025	-275	200
3	Apr-11	375	2675	2025	-675
4	Mar-11	-150	-1850	-1800	600
5	Feb-11	-325	725	2975	-2525
6	Jan-11	-2975	-1475	2500	-1125
7	Dec-10	50	1050	-1400	-400
8	Nov-10	-1125	-4425	-2625	-525
9	Oct-10	25	-1975	775	2575
10	Sept-10	-2100	-1250	300	-225
11	Aug-10	700	100	1275	325
12	July-10	-1250	900	1400	-275
13	June-10	-2350	-1850	-1850	1000
14	May-10	-725	2325	3700	1750
15	Apr-10	1275	-1025	2100	725
16	Mar-10	-950	-650	-1500	-1350
17	Feb-10	3550	550	2400	1625
18	Jan-10	-1875	-2475	-2375	-525
19	Dec-09	-650	300	-1450	1650
20	Nov-09	-2200	-1200	1650	-825
21	Oct-09	-1275	-725	-3075	-1875
22	Sept-09	-2650	-2950	-1500	1025
23	Aug-09	4525	500	500	400
24	July-09	3150	-2150	2300	2125
25	June-09	-75	-2375	-575	-325
26	May-09	-850	2300	-700	-2050
27	Apr-09	1500	2700	1100	300
28	Mar-09	-1800	-1950	-1750	-2500
29	Feb-09	2575	1275	-1125	1350
30	Jan-09	-2875	-75	550	-2700
31	Dec-08	2900	1850	1375	-5350
32	Nov-08	225	-2425	3625	-2500
33	Oct-08	-4775	-4275	-2025	4700
34	Sept-08	1775	-4025	8050	-75
35	Aug-08	75	-2125	-525	1300
36	July-08	-700	3550	3150	2650
37	June-08	-3375	125	-2475	3350
38	May-08	-2875	-425	-2925	650
39	Apr-08	6150	-1550	-900	2050
40	Mar-08	2475	450	-450	800
41	Feb-08	-175	2050	3575	100
42	Jan-08	-2975	-4875	-2975	-1700
43	Total Profitability (Rs)	-12775	-26900	9350	1675
44	Average Margin (Rs)	16828	16682	16639	16671
45	Net Annualized Return (%)	(-26.39%)	(-77.4 %)	44.4%	21.83%

Source: Data collected from www.nseindia.com, and analyzed as per requirements of the research

TABLE 2: AVERAGE MARGIN IN RS (*CALCULATED ON THE BASIS OF 7% MARGIN ON OPENING LEVEL OF NIFTY FUTURES AT RESPECTIVE ENTRY POINTS)

S.no	Series	Entry Point 1	Entry Point 2	Entry Point 3	Entry Point 4
1	June-11	19271	19530	18809	19054
2	May-11	20195	19142	19369	19037
3	Apr-11	20559	20430	20412	20615
4	Mar-11	19250	19096	18935	19845
5	Feb-11	19163	18900	18711	19079
6	Jan-11	21707	20738	19740	19968
7	Dec-10	21123	20948	20650	21140
8	Nov-10	21368	22190	21312	20755
9	Oct-10	21749	21637	21263	21420
10	Sept-10	19285	19863	20808	21245
11	Aug-10	18925	19068	19086	19355
12	July-10	18340	18792	18816	19110
13	June-10	17623	17539	17983	18638
14	May-10	18323	17780	17563	17465
15	Apr-10	18655	18774	18200	18715
16	Mar-10	17430	17969	17927	18200
17	Feb-10	16968	16534	16933	17168
18	Jan-10	18288	18463	18335	17486
19	Dec-09	17973	17868	17465	18169
20	Nov-09	16289	16870	17644	17752
21	Oct-09	17500	17297	18071	17497
22	Sept-09	16359	16520	16839	17143
23	Aug-09	16303	15894	15750	15960
24	July-09	15495	15495	15547	16104
25	June-09	15789	16065	15897	15078
26	May-09	12674	12775	15015	14840
27	Apr-09	11484	11848	11900	11995
28	Mar-09	9335	9006	9496	9961
29	Feb-09	9923	9940	10210	9419
30	Jan-09	10805	10010	9853	10171
31	Dec-08	9786	9870	10395	10728
32	Nov-08	10563	10675	9916	9415
33	Oct-08	13090	11480	10924	8841
34	Sept-08	15089	15901	14322	15071
35	Aug-08	15407	16135	15463	15351
36	July-08	13972	14035	14469	15071
37	June-08	17073	15680	15943	15138
38	May-08	18375	17448	17913	17210
39	Apr-08	17157	16394	16429	17913
40	Mar-08	17542	16729	16037	16146
41	Feb-08	18967	17591	18571	17955
42	Jan-08	21595	21718	19919	18942
43	Average Margin	16828	16682	16639	16671

Source: Data collected from www.nseindia.com, and analyzed as per requirements of the research

TABLE 3: Profitability calculated for three different sub-periods (Adjusted to Net Annualized Profitability as discussed under Research Design)

a) Entry Point 1

Sub-Period	Profitability (Rs)	Average Margin (Rs)	Net Annualized Profitability (%)
January 2008 to March 2009 (Bearish)	(-3375)	14579	(-22.53%)
April 2009 to December 2010 (Bullish)	(-3300)	17521	(-13.09%)
January 2011 to June 2011 (Range Bound)	(-6100)	20024	(-74.13%)

Source: Data collected from www.nseindia.com, and analyzed as per requirements of the research

b) Entry Point 2

Sub-Period	Profitability (Rs)	Average Margin (Rs)	Net Annualized Profitability (%)
January 2008 to March 2009 (Bearish)	(-12425)	14174	(-118.5%)
April 2009 to December 2010 (Bullish)	(-12325)	17628	(-67.51%)
January 2011 to June 2011 (Range Bound)	(-2150)	19639	(-37%)

Source: Data collected from www.nseindia.com, and analyzed as per requirements of the research

c) Entry Point 3

Sub-Period	Profitability	Average Margin	Net Annualized Profitability (%)
January 2008 to March 2009 (Bearish)	5175	13991	(81.82%)
April 2009 to December 2010 (Bullish)	450	17763	(4%)
January 2011 to June 2011 (Range Bound)	3725	19329	(106.58%)

Source: Data collected from www.nseindia.com, and analyzed as per requirements of the research

d) Entry Point 4

Sub-Period	Profitability	Average Margin	Net Annualized Profitability (%)
January 2008 to March 2009 (Bearish)	2125	13823	(93.52%)
April 2009 to December 2010 (Bullish)	5125	17869	(124.63%)
January 2011 to June 2011 (Range Bound)	(-5575)	19600	(-432.58%)

Source: Data collected from www.nseindia.com, and analyzed as per requirements of the research

TABLE 4: DIFFERENCE BETWEEN NIFTY FUTURES AT ENTRY AND EXIT POINTS

S.no	Series	Entry Point 1	Entry Point 2	Entry Point 3	Entry Point 4
1	June-11	141	67	273	203
2	May-11	-358	-57	-122	-27
3	Apr-11	-89	-52	-47	-105
4	Mar-11	334	378	424	164
5	Feb-11	-212	-137	-83	-188
6	Jan-11	-598	-321	-36	-101
7	Dec-10	67	117	202	62
8	Nov-10	-305	-540	-289	-130
9	Oct-10	-226	-194	-87	-132
10	Sept-10	520	355	85	-40
11	Aug-10	71	30	25	-52
12	July-10	169	40	33	-51
13	June-10	286	310	183	-4
14	May-10	-231	-76	-14	14
15	Apr-10	-76	-110	54	-93
16	Mar-10	280	126	138	60
17	Feb-10	12	136	22	-45
18	Jan-10	-358	-408	-372	-129
19	Dec-09	66	96	211	10
20	Nov-09	352	186	-35	-66
21	Oct-09	-249	-191	-412	-248
22	Sept-09	313	267	176	12
23	Aug-09	30	147	188	128
24	July-09	144	144	129	-30
25	June-09	-269	-348	-300	-103
26	May-09	716	687	47	97
27	Apr-09	193	89	74	47
28	Mar-09	415	509	369	236
29	Feb-09	-49	-54	-131	95
30	Jan-09	-263	-36	9	-103
31	Dec-08	121	97	-53	-148
32	Nov-08	-260	-292	-75	68
33	Oct-08	-1043	-583	-424	171
34	Sept-08	-200	-432	19	-195
35	Aug-08	-188	-396	-204	-172
36	July-08	341	323	199	27
37	June-08	-562	-164	-239	-9
38	May-08	-414	-149	-282	-81
39	Apr-08	98	316	306	-118
40	Mar-08	-182	179	248	217
41	Feb-08	-133	260	-20	156
42	Jan-08	-1032	-1067	-553	-274

Source: Data collected from www.nseindia.com, and analyzed as per requirements of the research

FINDINGS AND CONCLUSIONS

- Overall, Maximum Net Annualized gains were realized from Calendar Call spreads at Entry Point 3, i.e. entry at opening time of first working day of the week before Expiry. These annual gains amounted to 44% (From Table 1). Comparing this with 10-11% annual gains from other safe traditional instruments like Fixed Deposits, Calendar Spread at Entry point 3 can be marketed as a Star Product by the Stock Brokers.
- There was an overall net annualized loss of 26.39 % and 77.4% respectively at Entry Points 1 and 2 (Table 1). Also, there was a loss in all the three sub-periods in both Entry points 1 and 2 (Table 3a and 3b). Thus, creation of Calendar spread with At the Money Calls in Nifty should be avoided at Entry Points 1 and 2. Retail traders should be strictly cautioned by the Stock Brokers against this.
- At Entry Point 1, there was a net loss in 26 out of 42 F&O series. Talking about the sub-periods, maximum loss was visible at this Entry Point in the Range bound period (From January 2011 to June 2011). There was a loss in 5 out of 6 F&O series during this period. This can be explained by the fact that 5 expiries out of 6 took place more than 100 points from the entry level (Table 4). As Calendar spread gives profit in a range of around 100 points (positive or negative) from the entry point, expiries happening outside this range was the reason for the losses. This reinforces the hypothesis that earlier entry in a monthly F&O series in Calendar Spread reduces the Probability of Expiry happening in the Profitable Zone.
- At Entry Point 2, there was a net loss in 25 out of 42 F&O series. Maximum loss was witnessed in both Bearish and Bullish phases. 21 of the 36 expiries during this period accounted for a net loss. Out of these negative series, biggest loss making months were January 2008, September 2008, October 2008, and November 2010. If we analyze expiries of all these four months, January 2008 expiry was 1067 points negative from the entry point, September 2008 was 432 points negative from the entry point, October 2008 was 583 points negative from the entry point, and November 2010 expiry was 540 points negative from the entry point. If we analyze the loss making months in which expiries happened on the positive side from the entry point, the corresponding losses are not huge. For instance, March 2009 was 509 points positive from the entry point, but the loss was only Rs 1950. If we extend this analysis to Entry Point 1, biggest loss making series were October 2008, June 2008, January 2008 and January 2011 (In descending order of extent of loss). Expiries in these months were (-1043 Points), (-562 points), (-1032 Points), and (-598 points) respectively. Loss making months on the positive side again didn't produce huge losses. Thus, we can conclude that at Entry Points 1 and 2, there is more risk on the negative side in this strategy than the positive side. Another important point to note is that irrespective of the extreme conditions in the markets, maximum potential loss is restricted (Both Upside and Downside, Refer Tables 1 &4)
- Entry Point 4 gave an overall return of 21.83%. This is a respectable return by any standards. However, if we analyze the range bound sub period, there was a net annualized loss of 432.58%. This sub-period tilted the overall scale in favour of Entry point 3. For analyzing the loss at Entry Point 4 in the range bound sub-period, we need to concentrate on the fundamental reason for entering Calendar spread. This strategy as explained earlier works on the principle that current month premiums deplete much faster than next month premiums. However at Entry Point 4 (just 4 days before the current month

expiry), current month At the money premiums are already depleted to a large extent. In fact, in the last four days of current month expiry, next month premiums deplete more in absolute terms than the current month premiums. This explains the reason for the huge losses in a range bound phase. During Volatile sub-periods, Entry Point 4 performs better than Entry Point 3. This can be explained from the fact that Option premiums are more during volatile times. By default, current month premiums have to reach their Intrinsic Values on Expiry, but Next month premiums keep enjoying higher valuations. Also, Entry Point 4 is the nearest to expiry, and hence enjoys the added advantage of having the highest probability of expiry occurring in the Profitability range. Entry at Point 4 may be recommended to the clients if there can be a clear distinction between the various phases of the Market. However, in reality, this is often not so. Hence, Systematic Trading Plan should recommend entry only at Point 3 (Considering the huge potential losses in range bound phase at Entry Point 4).

- Entry Point 3 gave profitability in all the sub-periods. It can be argued that returns were only 4% in the bullish phase of the Market. However, huge gains in the other sub-periods compensates for this meagre profitability. In reality, it is extremely difficult to distinguish between different phases of the Market. This is more so in case of an average retail trader. Since Entry Point 3 is safe in all the Sub-periods, entry can be recommended to the retail traders during all times. Brokers can simply recommend the retail traders to enter the Calendar spread on the first day of a week before monthly expiry, and exit on Expiry to make net annualized returns of 44.4%. Constructing this strategy is also extremely simple. Traders just need to sell one At the Money Current Expiry Call, and buy one At the Money Next Month Expiry Call. Thus, by entering and exiting this strategy at a specified time every month, and in a prescribed manner extremely easy to understand, handsome gains can be made. No thorough knowledge of the Stock Market is required to make gains from this strategy. Even Part time traders can benefit from this. They need not be glued to their computer/ Television screens all the time (which is usually the case with traders). Thus, Brokers can exploit a much wider market, including people willing to invest in Stock Market, but who don't have time to track the markets on a regular basis.
- Stock Brokers can simply prepare an Illustration as shown in Table 1, and can distribute the same to their clients/ prospective clients through mailers. They can also present/ distribute this illustration during the seminars organised by them. An important point to note is that gains can't be made from this strategy in every F&O series. There will be some negative months and some positive months. Brokers should explain to their clients/ prospective clients the importance of Systematic Investment in this plan. The fact that this strategy restricts the maximum potential loss irrespective of extreme conditions in the Markets (Both upside and downside) should also be explained to the traders. This will give them confidence to invest in this low risk instrument of investment.
- There was a gain of only 4% during the Bullish Phase at Entry Point 3. Leading Brokers give a limit of up to 85% for trading in Options to Investors having a Cash Portfolio with them. During the Bullish Phase, Cash portfolio will be highly profitable, and hence will take care of the Profitability targets. However, Cash investors cut a sorry figure in Bearish and Range Bound phases. Brokers can recommend this strategy to their Cash Investors as a hedge against Bearish and Range Bound Phases. Because of the in-built limit, investors need not put any additional investment for trading options. This will be a win-win situation for both Cash Investors and Stock Brokers. Cash investors will get a hedging instrument at no additional investment, and Stock Brokers will get additional Brokerage revenues from Options segment.

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GENDER EMPOWERMENT IN PRACTICE: A CASE STUDY OF BHARAT COKING COAL LIMITED, DHANBAD

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ABSTRACT

The proposed paper elaborates a real case study of the world's largest Prime Coking Coal Producer company, Bharat Coking Coal Limited [BCCL]. It has been found that as per rules of Directorate General of Mines Safety Act 46(b) women are not permitted to go into underground mines as well as per Mines Act 1952 women are prohibited to enter the working mines after sunset and before sunrise. In such circumstances the widow of working personnel who are dead in mines accident do not have any option to continue with compensatory job of a peon or monthly compensation sum. But the positive training steps taken by BCCL Company have empowered women workers even in operational mining fields for handling heavy machineries. The education and the awareness of legal and constitutional rights have enabled trainee women even to reach at such heights where the Superintendent of Police of Dhanbad District Mrs. Suman Gupta [I.P.S.] has awarded the prizes and appraisal to the trainees. Since BCCL being a NavRatna Status company the vocational training to women overhauls the company. The key outcomes define the positive Social Impact of skill training by the tool of Education and also prove the financial empowerment as leverage to Economy. As well as the implications as precedence suggest the shaping of new paradigm of blended replica of Vocational Training coupled with Educational Programmes for sustainable growth of all the 250 Public Sector Under Taking Companies of India.

KEYWORDS

Gender-related Development Index, Gender Parity Index, Paradigm of Blended Replica Model; Shine by Training.

INTRODUCTION

Empowerment of women, also called gender empowerment, has become a noteworthy issue of discussion in regards to progress and economics. Entire nations, businesses, communities, and groups can benefit from the implementation of programs and policies that adopt the notion of women empowerment. Empowerment is one of the main procedural concerns when addressing human rights and development. The Human Development and Capabilities Approach, The Millennium Development Goals also known as Agenda-21 and other credible approaches/goals point to empowerment and participation as a necessary step if a country is to overcome the obstacles associated with poverty and development. Empowerment is the process of obtaining basic opportunities for marginalized individual especially feminine who do not share their own access to these opportunities. It also includes removing hurdles while making attempts to all forms of opportunities. Empowerment also includes encouraging, and developing the skills for, self-sufficiency. This process can be difficult to start and to implement effectively, but there are many examples of empowerment projects which have succeeded. The Marginalized feminine personnel or employee lack self-sufficiency. They lose their self-confidence because they cannot be fully self-supporting. The opportunities denied them also deprive them of the pride of accomplishment which others, who have those opportunities, can develop for themselves. This in turn can lead to psychological, social and even mental health problems. The most important empowerment strategy is to assist marginalized feminine to create more job opportunities to make them economically and socially self-dependent. Gender empowerment can be measured through the Gender Empowerment Measure [GEM], which shows women's participation in a given nation, both politically and economically. It is calculated by tracking "the share of seats in parliament held by women; of female legislators, senior officials and managers; and of female profession and technical workers; and the gender disparity in earned income, reflecting economic independence." These factors rank countries given this information. Other measures that take into account the importance of female participation and equality includes the Gender Parity Index [GPI] and the Gender-related Development Index (GDI). Empowerment includes the following capabilities:-

- The ability to make decisions about personal, collective and professional circumstances.
- The ability to access information and resources for decision-making.
- Ability to consider a range of options from which to choose (not just yes/no, either/or.)
- Ability to exercise assertiveness in collective decision making.
- Positive-thinking about the ability to make change.
- Ability to learn and access skills for improving personal/collective circumstance.
- Ability to inform others' perceptions through exchange, education and engagement.
- Involving in the growth process and changes that is never ending and self-initiated.
- Increasing one's positive self-image and overcoming stigma.
- Increasing one's ability in discreet thinking to sort out right and wrong.

REVIEW OF LITERATURE

Most women across the globe rely on the informal work sector for an income. If women were empowered to do more and be more, the possibility for economic growth becomes apparent. Eliminating a significant part of a nation's work force on the sole basis of gender can have detrimental effects on the economy of that nation. In addition, female participation in counsels, groups, and businesses is seen to increase efficiency. For a general idea on how an empowered women can impact a situation monetarily, a study found that of fortune 500 companies, "Those with more women board directors had significantly higher financial returns, including 53 percent higher returns on equity, 24 percent higher returns on sales and 67 percent higher returns on invested capital (OECD, 2008)." This study shows the impact women can have on the overall economic benefits of a company. If implemented on a global scale, the inclusion of women in the formal workforce can increase the economic output of a nation. With employment and economic independence Women will gain incredible self-esteem while others, including men, viewed them with more respect. Participation, which can be seen and gained in a variety of ways, will be most beneficial form of gender empowerment. Political participation, be it the ability to vote and voice opinions, or the ability to run for office with a fair chance of being elected, plays a huge role in the empowerment of woman. The economic development, the empowerment approach focuses on mobilizing the self-help efforts of the women, in addition with providing them the social welfare. Economic empowerment is also the empowering of half of the population, i.e. feminine.

IMPORTANCE OF THE STUDY

The BCCL Company [Bharat Coking Coal Limited] is the world's largest Prime Coking Coal producing company as well as a NavRatna Company and the largest subsidiary in terms of manpower of the Maharatna Status Company "Coal India Limited". It provides the high calorific value coal for Bokaro steel industry in nearby and also for The Chandrapura thermal power plant. Nationalization was done on 01.05.1972 brought under the **Bharat Coking Coal Limited (BCCL)**, a new Central Government Undertaking. Another enactment, namely the **Coal Mines (Taking Over of Management) Act, 1973**, extended the right of the Government of India to take over the management of the coking and non-coking coal mines in seven States including the coking coal mines taken over in 1971. This was followed by the nationalisation of all these mines on 1.5.1973 with the enactment of the Coal Mines (Nationalisation) Act, 1973 which now is the piece of Central legislation determining the eligibility of coal mining in India. The structure of Coal India Limited permits and exercises the inter-subsidiary transfers and allocations of employment as per the requirement of manpower in all its subsidiary companies. The positive steps taken and being exercised by the Bharat Coking Coal Limited Company has empowered the working feminine personnel at grassroot level and has created a lot of job opportunities in maximum working departments which permits the feminine personnel's' working within legal parameters.

STATEMENT OF THE PROBLEM

As the underground Coal mines are very risky and fatal in operational which production of coal, a lot many casualties are found every calendar year. As the women are not permitted to go in the underground working mines, hence the underground working manpower is absolutely masculine oriented. In any such casualties of accident under the mines or even over the surface the major damage to life is for men personnel. As per rules of **Directorate General of Mines Safety Act 46(b)** women are not permitted to go into underground mines as well as per **Mines Act 1952** women are prohibited to enter the working mines after sunset and before sunrise. In such circumstances the widow of working personnel who are dead in mines accident do not have any option to continue with compensatory job of a peon or monthly compensation sum. And hence the working women on compensatory job have no option to make any progress in their carrier.

OBJECTIVE

To identify out the policies and practices for gender empowerment and upliftment of quality of work life.

HYPOTHESIS

To identify the correlation of policies made and the policies being implemented for swift gender empowerment at BCCL Dhanbad.

RESEARCH METHODOLOGY

A visit was made to Vocational Training Centre at Area-4 [Katras Area]. The model of Gender empowerment by help of education and vocational training is common in all the twelve working areas of the BCCL, Dhanbad. The visit was made to Area-4 as it is located at the prime coking coal belt of the BCCL Company as well as it is one of the biggest coal producing units among the sister units. For the same it is a big junction for generation of employment. Mr. Deenanath Prasad welcomed the interviewer and provided all forms of details. All well as the interviewer was also taken to the running class to see in practical the classes being conducted for the Gender Empowerment. It was found that the women who work in the Bharat Coking Coal Limited Company were absorbed for education at Vocational Training Centre. A total of 60 days schedule is being provided to these women from initial training to final examination. Initially women personnel are given the basic education of alphabets and numbers. After two weeks they are taught with words, sentence forming and identification of symbols and colors being used in various discipline of working mines. A minimum basic education is imparted so that these women personnel can join the various departments in the Company within the permissible legal Industrial Acts and Legislative rules of Government of India. The number of women in every batch counts generally 20-30. The women taking classes are the employees of Bharat Coking Coal Limited Company. And they have joined the company on basis of accidental compensation against their family members. It was found that these women students use to perform their duty in their respective office everyday. And after the initial hour's work they use to come to Vocational Training Centre for one hour to study. They are being granted a leave of 3 hours per day to attend the classes including their transit time for visit to Vocational Training Centre.

RESULTS AND DISCUSSIONS

After being trained these feminine working personnel give their joining to various respective sections. Even they have proven themselves in the masculine handled portfolios of operating heavy earth moving mining machineries. One of the precedence is of Shri.Mamta Kumari of the "Chetudih Colliery" of Area-4 of BCCL Company, who won gold medal for her excellent performance in examination and now she is operating heavy dozers. Shri **Mamta Kumari** was awarded the memento of appraisal on occasion of "Gandhi Jayanti" on 02nd October 2010 with kind presence by then acting Superintendent of Police of the Dhanbad District Mrs.Suman Gupta[I.P.S].

Even a few women have joined as electricians and mechanical personnel at pump stations for repairing and wiring of pressure pumps. As mentioned by Shri Deenanath Prasad that these arenas were untouched till date by women personnel. Many times it was found that the illiterate widows were cheated by their own family relatives while withdrawing the money from their own bank account. As the value withdrawn were manipulated by their own trustworthy people without their knowledge. But after being educated now these women can withdraw their own money by filling of the withdrawal form with their own. And also they are now well accustomed with digits and language to handle the ATM transactions (Automatic Teller Machine Transactions).

FINDINGS

It was found that out of 18 women personnel in first batch of gender empowerment initiatives taken by BCCL Company, the seventeen candidates passed the examination by first division and remaining one passed with second division. As told by Mr. Deenanath Prasad at present a total of 42(forty two) candidates has passed the Vocational Training successfully. And in near the strategy of BCCL company is to educate all the women candidates the computer proficiency. This is a planned strategy to be implemented soon so that more job avenues can be created in office works where women can perform duty in a proctored environment. Mr. Deenanath Prasad also explained the simple mechanism of organizing this gender empowerment Vocational Training Programme. Initially a list of the candidates is made by the procedure of nomination from various departments of a running unit. And then it is forwarded by General Manager Chairperson of the working Unit to General Manager Chairperson of Human Resource Department of the BCCL Company. Usually it takes duration of three to four weeks to complete the selection procedure from initial nomination of candidates to final approval. And this process is continued in a cyclic manner in parallel to the Vocational Training for Gender Empowerment. The Bharat Coking Coal Limited Company is sub divided into twelve different areas which handles various working mines. And every Area has a vocational training centre. And all the vocational training centers run various programmes for working personnel. The nascent Gender empowerment policy is formulated and launched swiftly by Bharat Coking Coal Limited at all the twelve areas. The vocational training centre at every area is functioning for swift implementation of these policies which are empowering the feminine personnel. And it has been found that these policies have been implemented successfully and very positive outcomes have been found. The Vocational Training Centre of Area-4 [Katras Area] was visited to get detailed information about the various Gender Empowerment steps taken and the positive outcomes from empowerment all around the BCCL Company.

RECOMMENDATION AND SUGGESTIONS

With implementing the Gender Empowerment scheme and harvesting favorable results in stipulated duration of time the BCCL Company has proven that existing legal loopholes can also be utilized as a platform for sustainable growth and development of the firm. Because as per rules of **Directorate General of**

Mines Safety Act 46(b) women are not permitted to go into underground mines as well as per **Mines Act 1952** women are prohibited to enter the working mines after sunset and before sunrise. But with this Vocational Training Scheme the women can be permitted to work in operating mines in daytime before sunset and after sunrise to handle the heavy machineries. The existing gap of day time working permit in functional mines, which was not utilized till date has been now adopted in a positive facet and has been exercised efficiently for progressive growth. For the first time this precedence has set an example of Gender Empowerment being practiced at ground level for optimum output for the Company. It is recommended that such gender empowerment policies must be more developed so as to enhance the Gender Empowerment. As well as this "**Paradigm of Blended Replica Model**" must be made acquaint to every Public Sector Undertaking company of India for inspiration to develop the avenues of gender Empowerment. It is recommended that among all the 250 Public Sector Undertaking Companies of Government of India, a healthy proportion of job opportunities must be sanctioned for women personnel in maximum permissible working portfolios. Especially among the post of Directors of these Public Sector Undertaking Companies of Government of India. The rationale behind it is that all these Public Sector Undertaking Companies of Government of India are incorporated under Companies Act 1956, which advocates the mandatory provision of a minimum of five (05) posts of Directors for the incorporation of the registered company. It is advocated that a minimum of fifty percent of total posts on an aggregate scale of all the Public Sector Undertaking Companies has to be reserved for women. As the policy formulation and its implementation is done at tactical level of Pyramid, i.e. at the Board of Director Level. This will definitely empower women from top to bottom level with immediate effect. As well as at the higher official level there is no question of any problem of professional hazardous of the profession during their work.

Empowerment of feminine employees in the work place provides them with opportunities to make their own decisions with regards to their tasks. Gender empowerment among employees is one of the most important and emerging avenue in recent time. Companies ranging from small to large and from low-technology manufacturing concerns to high-tech software firms have been initiating gender empowerment programs to enhance employee motivation, increase efficiency, and gain competitive advantages in the turbulent contemporary business environment. As merely by issuing free competitive forms, cheaper loans and concessions in higher education and railway journey tickets Gender Empowerment can't be done at a large scale. It is recommended that near about 50% reservations must be done in banking, health, education, judiciary and other office administration must be strictly done as soon as possible. As these are the arena which directly influences the decision making of National policies. This will accelerate the Gender Participation in policy making as well as in Decision Making process too.

This successful policy is being flourishing after being formulated and implemented. It is strictly recommended that this case record must be made acquaint to maximum possible industries. So that more swift gender empowerment policies can be made and implemented too. Definitely this policy has uplifted the mark of intangible asset.

CONCLUSION

It was found that the schemes being implemented in BCCL Company Limited has made a very relevant economical and social change on the Quality of Work Life of the working women personnel. It has also exercised the concept of "*Workers' Participation in Management in Policy Making*" with reference to Gender Empowerment.

The indigenous personnel, especially women, could ensure their own organization does have such authority and could set their own agendas, make their own plans, seek the needed resources, do as much of the work as they can, and take responsibility - and credit - for the success of their projects (or the consequences, should they fail?). Now the trained women personnel even can be transferred to various areas of the BCCL Company. As well as to all its other subsidiaries all over India. As all the nine subsidiaries of Coal India Limited are under a single umbrella of Coal India Limited Company. The Coal India Limited Company is one of the five Maharatna Companies of India. Empowerment is not giving power, as with the protection of legal umbrella workmen already has plenty of power, only with help of knowledge and guidance the motivation for jobs must have to be accelerated more. Encouragement of more feminine personnel to gain the skills and knowledge that will allow them to overcome obstacles in life or work environment and ultimately, help them develop within themselves or in the society. Strong skills and critical capabilities open doors for those who meet the empowerment criteria. The vocational training has given additional shine of brilliance with let the capabilities of feminine working personnel to be utilized upto maximum for growth of company. The received result falls in category of "Gainful re-utilization of Feminine work power". This implantation has made a Turnkey effect for the Indigenous workforce. As now the compensatory job holder women personnel are not being considered as ethical liability but are now considered as Industrial equity of the company. And this has also set a brilliant benchmark on optimum use of the internal workforce. As this scheme implementation has reduced the time duration and financial burden of the company for external recruitment. The BCCL Company has made profit in financial terms as well as in form of gaining a lot of intangible asset. This has also made the image of the company very prestigious in the corporate sector. The BCCL company has done a form internal recruitment and promotion by help of vocational training and education. And it is done for various posts with co-ordination of the Human Resources Department of BCCL which identifies the requirements of the targeted functions of various sections. In addition to coordinating with the various departments introduction of refresher vocational training courses are being exercised to source new staff from within their own network with enabling empowerment of gender. Educating the women personnel through Vocational Training has created a lot of awareness and self dependency among women. Now they are safe against any form of financial fraud of any form of socio-economic injustice among them. They have proven themselves by penetrating the masculine dominated working portfolios.

SCOPE FOR FURTHER RESEARCH

In most of the industries it is found that the internal recruitment has generally the following two problems:-

[1] Any form of Internal Recruitment may Cause **Obsolescence**. It is the state of being which occurs when an object, service or practice is no longer wanted even though it may still be in good working order. Obsolescence frequently occurs because a replacement has become available that is superior in one or more aspects.

[2] Any form of internal recruitment can resist introduction of new ideas inside the organization. Generally it is correct, as internal promoted employee may create lobby or direct or indirect monopoly, due to their presence at all levels of pyramid.

But with reference to this case it has been proven that the masculine personnels' monopoly has been broken by women with their start to operate heavy machineries in the working mines. As since the beginning of mining industry in India, the mining sector has been pre-dominated by masculine due to legal and constitutional rules. Also a health middle pathway g has been established between the female working personnel and the legal and constitutional parameters. More research for developing the policies for swift gender empowerment will enhance the overall quality of working environment and growth in financial and intangible asset of the company. Such outcomes and additional research can be a model to be implemented by other organizations also.

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APPENDIX

FIGURE

FIGURE A: WORKING WOMEN PERSONNEL TAKING EDUCATIONAL CLASSES AT VOCATIONAL TRAINING CENTRE, KATRAS, AREA -4, BHARAT COKING COAL LIMITED, DHANBAD



Working Women Personnel taking Education of Vocational Training Courses at Vocational Training Centre, Area- 4, Katras Area of Bharat Coking Coal Limited, Dhanbad.

RETAIL STORE SELECTION CRITERIA USED BY CUSTOMERS IN DELHI-NCR: IMPLICATIONS FOR THE RETAILERS

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ABSTRACT

The purpose of this paper is to identify factors that affect store choice behavior of customers for high involvement electronic durable goods and the possible implications for organized Indian retailers. An exploratory (empirical) research, based on questionnaire survey research design, was conducted for identification of factors. Questionnaire design was done through exploratory (secondary) research. Based on attitude of customers towards study variables, factor analysis suggested that customers consider the factors of price & related information, convenience of location & drivability to the store, in-store service & product availability, information sources for product and store, exclusive stores of international brands, information of credit facility in newspapers, information of product features, benefits & price, purchase occasion, and e-commerce, as important. The analysis also suggests that budget shoppers prefer national brands and rely on word-of-mouth communication.

KEYWORDS

Retail store selection criteria, CDP in high involvement purchase, store design factors, store choice behavior, format choice.

1. INTRODUCTION

The concept of organized retailing is new to Indian retail market, barely 7% of the retail being organized (AT Kearney, 2011). Therefore the organized retail is in infancy stage in India. Research in the area of store choice behavior for high involvement goods (costly electronic items) is limited. An empirical study carried out by Sinha and Banerjee (2004) identified factors that influenced store choice of consumers. Although convenience and merchandise were the two most important reasons for choosing a store, the choice criteria varied across product categories. Convenience was indicated by consumers as the most important reason in the choice of groceries and fruit outlets, chemists and lifestyle items while merchandise was indicated as the most important in durables, books and apparel.

It is nobodies guess that convenience is the most important factor of store selection for FMCG products i.e. low Involvement purchase (Schiffman & Kanuk, 2000). People generally do top-up purchases for their daily needs based on convenience, but for a durable electronic good like a high end LED television set, a laptop or a high end mobile phone, the purchase is high involvement one. The customer is willing to go extra mile for purchasing the item. As perceived risk is high, this type of purchase falls in high involvement purchase (Schiffman & Kanuk, 2000). The consumer should undergo the process depicted by the Consumer Decision Process (CDP) Model of Engel, Kollat and Blackwell (Engel, Blackwell, & Miniard, 1995). As per Henry Assael's model this kind of purchase is complex buying or Dissonance reducing buying decision (Assael, 1989).

As the concept of organized retail is new in India, the knowledge base for consumer orientation is limited. Few organized retailers are venturing in retailing of high-tech consumer durables like Next (Videocon Group), E-Zone & Electronics Bazaar (Future Group), Reliance Digital, Viveks Ltd & Tata Croma. Croma receives technical and strategic sourcing support from Woolworths India, a subsidiary of Woolworths, an Australian retail giant. But the Australian partner cannot give consumer insight for Indian consumer. That knowledge has to be acquired by the retailer itself. This research is an attempt to fill the knowledge gap in this field. The empirical study focuses on identification of the factors that are important to Indian customers while making store choice for high involvement purchase of electronic items and suggesting managerial implications to the organized retailer.

2. LITERATURE REVIEW

2.1. Consumer Decision Process

A rational approach to consumer decision-making refers to the careful weighing and evaluation of utilization or functional product attributes to arrive at a satisfactory decision (Solomon, 1996; Engel et al, 1995). Rational goals are based on economic or objective criteria such as price, size and/or capacity (Schiffman & Kanuk, 2000). Howard developed the first consumer decision-model in 1963 (Du Plessis, Rousseau, & Blem, 1991). Others include the Nicosia model (1966), Howard and Sheth model (1969), Engel, Kollat and Blackwell models (1968). A concern was that consumer behavior research did not grow from a pure theoretical basis and it is within this context that several theoretical models of consumer decision-making were developed (Du Plessis et al, 1991). These models, labeled the grand models of consumer decision-making (Kassarjian, 1982), tend to portray the process of proceeding through a major purchase decision as a logical problem solving approach (Cherian & Harris, 1990). Furthermore, consumer decision-making is depicted as multi-staged and complex with several factors triggering problem recognition before initiating a sequence of actions to reach an outcome of satisfaction or dissatisfaction (Harrel, 1990). Most of the consumer behavior textbooks used as sources of consumer behavior models for study and research purposes, refer to the elements (Harrel, 1990) of the CDP in terms of the traditional five step classification, i.e. the cognitive decision sequence of problem recognition / pre-search stage, information search, alternative evaluation, choice, outcome evaluation (Schiffman & Kanuk, 1994; Solomon, 1996; Du Plessis et al, 1991). Some prefer to add one or more additional stages to place importance on certain phenomena/activities such as the inclusion of blocking mechanisms, the disposal of the unconsumed product or its remains (Du Plessis & Rousseau, 1999; Engel et al, 1995; Du Plessis et al, 1991). The classification in terms of various stages of consumer decision-making is typical of the rational approach to consumer decision-making (Punj & Srinivasan, 1992).

2.2. Store Choice

Store choice has been a subject of wide research and has been studied from various perspectives. The store choice behavior of shoppers has been found to be quite similar to the brand choice behavior of the consumers, with a difference being the incorporation of the spatial dimension in store choice (Sinha & Banerjee, 2004). Therefore, while brand choice is independent of the location aspect, and is not affected by it, the store choice is very much influenced by location (Fotheringham, 1988). One view, in the store choice literature gives primacy to the store location and believes that the consumers are influenced by the travel costs of shopping (Brown, 1989; Craig, Ghosh & McLafferty 1984) and store location therefore plays an important role in the store choice. A number of studies, have considered, and pointed out the primacy of store location (Arnold, Oum & Tigert, 1983; Freymann, 2002) in store choice. Another view in store choice literature focuses on the store attributes. Price is one of the easily noticeable attributes and considerable work exists (Bell, Ho & Tang, 2001; Freymann, 2002; Arnold, Oum & Tigert, 1983), on how, the price of store offerings, affects the store choice. The role of store atmospherics, store ambience and store environment has also been studied as a part of store attributes. A number of studies (Kotler, 1973; Baker, Grewal & Levy, 1992) have studied these and found important relation with consumer store choice. Then there are studies which look at how store environment cues influence consumers' store choice decision criteria, such as perceived merchandise value and shopping experience (Baker, Parasuraman, Grewal, & Voss, 2002). Store choice, has also been studied, taking the store image (Martineau, 1958) into account and has been found to affect store choice.

Yet another view of store choice, gives more importance to the consumer side, and has looked at the consumer attributes, as well as the situational and tasks associated with shopping. So the store choice has been seen in the context of the risk reduction strategies of the shoppers (Mitchell & Harris, 2005). It has also been found to be dependent on the timing of shopping trips, with consumers visiting smaller local store for short "fill-in" trips and larger store for regular shopping trips (Kahn & Schmittlein, 1989). It has also been shown by Bell and Lattin (1998) that there exists a logical relationship between a household's shopping behavior and store preference.

2.3. Format Choice

The literature on format choice is limited in nature and is of more recent origin. The recent interest in store formats is mainly attributed to innovations in the mix that the retailers are coming up with, owing to the competition. A store format has been defined as the mix of variables that retailers use to develop their business strategies and constitute the mix as assortment, price, and transactional convenience and experience (Messinger & Narsimhan, 1997). It has also been defined as a type of retail mix used by a set of retailers (Levy & Weitz, 2002). Different store formats are derived from various combinations of price and service output (Solgaard & Hansen, 2003). Studies have also been conducted on shopper behavior and format choice. In a study of store choice behavior among audio equipment shoppers (Dash et al., 1976) found shoppers having higher levels of pre-purchase information shopped at specialty store, while those with low pre-purchase information purchased at departmental stores. In another study, Bell and Lattin (1998) demonstrated that large basket shoppers preferred EDLP formats, while, small basket shoppers, preferred HiLo stores, similar results were arrived at by Bell, Ho and Tang (2001).

3. RESEARCH OBJECTIVE

The literature review reveals that very limited research has been carried out of Indian consumer behavior with special reference to purchase of high involvement electronic goods in the purview of organized retailing. In order to fill this gap, this study is designed to identify the factors important for Indian consumers while selecting a retail store for a high involvement electronic good and the relative importance of the factors in making the decision. The results of the empirical analysis would be able to provide a ranking among various identified factors.

4. RESEARCH METHODOLOGY

4.1. Questionnaire Design

Based on literature review, the variables such as information search of item, retail store, price, promotional schemes, information sources, price and promotion offers (Engel, Kollat & Blackwell, 1968), type of retail store (exclusive or multi-brand), preference for brands, store attributes (Kotler, 1973; Baker, Grewal & Levy, 1992; Bell, Ho & Tang, 2001; Freymann, 2002; Arnold, Oum & Tigert, 1983), credit facility, purchase occasion, convenience of shopping, store location, store reach-ability (Fotheringham, 1988; Brown 1989; Craig, Ghosh, & McLafferty 1984), were identified and converted into questions using Likert scale. Before the questionnaire was finalized it was proofread by three marketing academics and five professionals from the retail sector. Thus, the questionnaire was pre-tested and, based on the debriefing of the pre-test respondents; minor changes were made to improve the clarity and visual layout of the questionnaire. Table 1 lists the variables used for building questionnaire.

TABLE 1: VARIABLES USED FOR BUILDING QUESTIONNAIRE

VAR 1	Information gathering about features and benefits of the item and available alternatives
VAR 2	Information gathering about a retail store
VAR 3	Information gathering about the prices of the item
VAR 4	Information gathering about the sales promotions schemes on the item
VAR 5	Use of electronics and appliance magazines as information source
VAR 6	Use of newspaper as information source
VAR 7	Visiting World Wide Web (internet) for accessing various types of information
VAR 8	Reliance on social circle for gathering information
VAR 9	Preference for exclusive brand stores
VAR 10	Market survey for gathering information regarding the item (shopping)
VAR 12	Preference for International Brands (e.g. Sony, Whirlpool or Nokia)
VAR 13	Preference for branded items
VAR 14	Convenience in terms of parking facility
VAR 15	Convenience in terms of retail store proximity to home or office
VAR 16	Importance of retail store location in the market of similar items
VAR 17	Importance of drivability to the store (Traffic condition on way to the store)
VAR 18	Importance of availability of Public transport, for the retail store
VAR 19	Importance of item availability in the store (Touch & Feel)
VAR 20	Preference to online purchase for low risk purchases
VAR 21	Importance of shopping experience in terms of store ambience
VAR 22	Importance of shopping experience in terms of salesperson mannerisms
VAR 23	Importance of shopping experience in terms of assistance in choosing an item
VAR 24	Importance of item demonstration
VAR 25	Importance of salesperson knowledge regarding the item and alternatives
VAR 26	Importance of offer Price
VAR 27	Importance of discount on list price
VAR 28	Importance of exchange Price of the item
VAR 29	Importance of credit facility provided by the retail store
VAR 30	Importance of festivals in deciding purchase timings
VAR 31	Purchasing Occasion. Importance of need in purchase timing

Complete questionnaire can be viewed in Appendix 1.

4.2. Data Collection

The questionnaire was then administered to customers having income in the range of Rs 2.4 Lac to Rs 6.0 Lac per annum. To be more specific, the sample included faculty from an education institute, a school, a software firm and office of a power distribution company. Data was collected using a judgment sampling method. The questionnaire was administered through personal contact. Respondents were asked to focus on the purchase process they adopt for purchasing an electronic gadget of substantial price (whatever may be the price range but it had to be substantial according to the perception of the respondent). Total 200 responses were obtained. Out of those 177 were found valid for the purpose of data analysis. The sample size met with the requirements suggested by Naresh Malhotra (2007) that a sample size of 5 to 6 times of number of variables is appropriate for drawing accurate conclusions through factor analysis.

5. DATA ANALYSIS

After a sequential and iterative process of factors extractions, checking reliabilities of extracted factors, removing the cross loading items and then factor extraction and rechecking reliabilities, the final solution with 31 variables spread across ten factors was accepted. The value of KMO measure of sampling adequacy is 0.667 (greater than 0.5). The value of Bartlett's Test of Sphericity is very large with significance of 0.000 hence the hypothesis that the correlation matrix is an identity matrix is rejected and therefore the data is suitably correlated for factor analysis (Naresh Malhotra, 2009).

6. RESULTS

The final solution with 31 variables spread across ten factors was accepted that explained 63.473% of variance in the data. Extraction Method used in factor analysis is Principal Component Analysis and Rotation Method used is Varimax with Kaiser Normalization. Factor analysis result, along with extracted factors is depicted in Table 2. Output of factor analysis can be viewed in Appendix 2.

TABLE 2: FACTOR ANALYSIS RESULT

Factor	Factor Interpretation	Loading	Variable	Variables included in the factor	Extracted Factor
	(% Variance Explained)				
F1	14.147	0.844	VAR27	Importance of discount on list price	Importance of Price & Related Information
		0.814	VAR26	Importance of offer Price	
		0.648	VAR28	Importance of exchange Price of the item	
		0.435	VAR04	Information gathering about the sales promotions schemes on the item	
F2	9.173	0.812	VAR17	Importance of drivability to the store (Traffic condition on way to the store)	Convenience of Location & Drivability to the Store
		0.79	VAR15	Convenience in terms of retail store proximity to home or office	
		0.731	VAR14	Convenience in terms of parking facility	
		0.588	VAR16	Importance of retail store location in the market of similar items	
F3	7.357	0.783	VAR25	Importance of salesperson knowledge regarding the item and alternatives	In-Store Service & Item Availability
		0.728	VAR24	Importance of item demonstration	
		0.633	VAR23	Importance of shopping experience in terms of assistance in choosing an item	
		0.473	VAR22	Importance of shopping experience in terms of salesperson mannerisms	
		0.446	VAR19	Importance of item availability in the store (Touch & Feel)	
F4	7.033	0.719	VAR02	Gathering information regarding a retail store	Information Sources for Item & Store
		0.699	VAR05	Referring electronics and appliance magazines as information source	
		0.546	VAR10	Market survey for gathering information regarding the item (shopping)	
F5	5.237	0.795	VAR11	Preference for International Brands (e.g. Sony, Whirlpool or Nokia)	Exclusive Stores of International Brands
		-0.791	VAR13	Preference for branded items	
		0.565	VAR09	Preference to exclusive brand stores	
F6	4.81	0.679	VAR06	Referring newspaper as information source	Information of Credit Facility in Newspapers
		0.516	VAR29	Importance of credit facility provided by the retail store	
F7	4.343	0.758	VAR01	Gathering information regarding features and benefits of the item and available alternatives	Information Search for Item features, benefits & Price
		0.615	VAR03	Gathering information regarding the prices of the item	
F8	4.198	-0.833	VAR31	Purchasing according to need. Purchases when-ever required	Purchase Occasion
		0.56	VAR30	Importance of festivals in deciding purchase timings	
F9	3.649	-0.621	VAR21	Importance of shopping experience in terms of store ambiance	Budget shoppers prefer National brands and rely on Word-of-Mouth communication
		0.517	VAR12	Preference for National Brands (e.g. Onida, Spice or Weston)	
		0.482	VAR08	Reliance on social circle for gathering information	
		0.415	VAR18	Importance of availability of Public transport, for the retail store	
F10	3.527	0.799	VAR07	Visiting World Wide Web (internet) for accessing various types of information	Option of e-Commerce
		0.535	VAR20	Preference to online purchase for low risk purchases	

7. DISCUSSION

The factor which explains largest variance in the data is the most important factor and the importance is accorded in that order. The extracted factors, in order of their importance are listed as follows:

- 7.1. Importance of Price & Related Information.

- 7.2. Convenience of Location & Drivability to the Store.
- 7.3. In-Store Service & Item Availability.
- 7.4. Information Sources for Item & Store.
- 7.5. Exclusive Stores of International Brands.
- 7.6. Information of Credit Facility in newspapers.
- 7.7. Information Search for Item features, benefits & Price.
- 7.8. Purchase Occasion.
- 7.9. Budget shoppers prefer National brands and rely on word-of-mouth communication.
- 7.10. E-commerce.

8. POSSIBLE MANAGERIAL IMPLICATIONS FROM THE RESEARCH

The possible implications for the retailers either involved in electronics retailing or intending to enter the field are:

8.1. Importance of Price & Related Information:

Pricing and related promotional schemes are the most important factor to the consumers.

Price is lesser the better. The customer looks at net financial cost by taking into consideration all promotional schemes, be it price discounts or loyalty bonus or exchange scheme.

8.2. Convenience of Location & Drivability to the Store:

Second most important factor is convenience in terms of the following:

- 8.2.1. Drivability to the store. The store should be located in area that is easily approachable by car and two-wheeler. The location should not be known for traffic jams, a well-known problem in metros.
- 8.2.2. Store proximity to office or home. The store catchment area is to be decided on this dimension of the factor.
- 8.2.3. Parking facility should be built in the store design. Be it valet parking or availability of parking space in the compound itself.
- 8.2.4. Store should be preferably located in market of similar items so that the store gets enquiry flow as it happens to be located in the market and people shopping around visits the store.

8.3. In-Store Service & Item Availability

8.3.1. Store - personnel training is very important for imparting proper in-store service. The training should envelope both technical and human skills.

8.3.2. Only those items can be sold which are physically available therefore inventory management is very important. Proper store keeping units should be maintained. Also items cannot be sold merely by talking about it or showing the brochure of the item. It has to be touched and felt by the consumer.

8.4. Information Sources for Item & Store

8.4.1. Consumers do look for information of item and store. They refer to electronic magazines and advertisement insertions by the retailer in such magazines would be helpful.

8.4.2. Consumers also conduct market survey for gathering information, so if the store is located in the popular electronics market, comes under scanner of such consumers and hence chances of selection improves.

8.5. Exclusive Stores of International Brands

8.5.1. Consumers who prefer international brands prefer exclusive brand stores.

8.5.2. So it would be better to club merchandise according to manufacturer's e.g. Sony World stores can be opened or L.G. Stores. This leads to offering of different items by the manufacturer under one roof rather clubbing similar items together like T.V. of different manufacturers.

8.6. Information of Credit Facility in newspapers

Consumers look for information related to credit facility in newspapers so related information should be provided in the newspaper insertions.

8.7. Information Search for Item features, benefits & Price

8.7.1. Information about items and their features, advantages and benefits is important to the consumer. It is the activity of the manufacturer to provide the information about the product and create pull for the item. Retailer should keep items of known brands and possibly look for advertising assistance from the manufacturer in terms of allowances and incentives.

8.7.2. Price information along with information of the item features can be advertised in local newspapers and distributing hand-outs in the catchment area of the store is also an option.

8.8. Purchase Occasion

Some consumers purchase according to need and some postpone or propone the purchase for festive seasons. It would be therefore suitable to offer promotional schemes, around festive seasons, in the catchment area of the store.

8.9. Budget shoppers prefer National brands and rely on Word-of-Mouth communication

Retailer should have separate stores for merchandise of National brands and International brands. It is evident from the analysis that seekers for National brands have:

8.9.1. Preference for availability of Public Transport to the store.

8.9.2. They don't mind no-frill store environment and would be glad if resulting cost cutting is passed over to them, in terms of low rates for the items.

8.9.3. The stores with merchandise of national brands can be shifted to locations where real-estate prices are low and are connected with public transport system. This would result in substantial savings on operational costs and would further result in low prices for ultimate consumer.

8.9.4. They rely on social circle for information gathering so the retailer:

8.9.4.1. Should promote word-of-mouth (WOM) communication for the stores carrying national brand merchandise. In U.S, retailers such as Wal-Mart and Victoria's Secret have demonstrated that advertising can be sharply reduced when word-of-mouth is strong.

8.9.4.2. Negative WOM is usually given high priority and weighs heavily in decision making. So the retailer has to keep customers in good humor otherwise as the clientele gives more weight to WOM, the grievances of dissatisfied customers can prove too costly to handle. The dissatisfied buyers are more motivated to share information than satisfied ones.

8.9.4.3. The retailer should focus on post sale customer satisfaction so that the customer becomes advocate for the retailer.

8.10. E-Commerce

8.10.1. People who browse through world-wide-web for information gathering also purchase on-line occasionally.

8.10.2. Retailers who maintain web sites for providing information to the shoppers should also include option of on-line sale in the website.

9. LIMITATIONS OF THE STUDY

9.1. The survey was conducted for respondents based on judgment sampling. The sample may not be truly representative and the findings may apply to a specific segment of the consumer class i.e. upper middle and middle class segment, though we may say that it constitutes the largest share of the big ticket electronic consumer items.

9.2. The Organized Retailer of consumer electronic goods would certainly like to tap the largest market segment but a retailer might like to tap in niche high-end segment and the factors identified in the study would not apply to them. The high-end customer may not give highest priority to the price and might be looking for other attributes.

9.3. Similarly the study do not apply to lower class of the market, though certain factors like price might still dominate the mindset but it requires a fresh probe.

10. SCOPE FOR FUTURE RESEARCH

10.1. A similar study for the upper, upper-middle, and lower income segment of the market may be conducted.

10.2. As independent variables (factors) have been identified from the research. Multiple Regression analysis may be conducted to study the effect of independent variables (identified factors) on the predictor variable (Store Sales).

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CUSTOMER RELATIONSHIP MANAGEMENT IN TELECOM INDUSTRY – WITH REFERENCE TO BHARTI AIRTEL, ANDHRA PRADESH

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ABSTRACT

The Indian telecom sector has been met with competitive pressure after deregulation. Many key developments took place in the early 2000. The telecom service providers are expected to struggle with complex issues of new technologies, and value added services through continuous innovations. Though many service industries are affected by the churn phenomenon, the problem is extremely acute in the telecom industry with customers joining and quitting in short periods. According to a survey, with churn of 2 per cent a month an operator is losing 24 per cent of its customers every year, the fact remains that the telecom industries bottom line is getting affected significantly due to the high churn rate. Customers switch over for various reasons. The ultimate goal of CRM in telecom sector is to provide a comprehensive suite of software applications that enable them to increase revenue, productivity and customer satisfaction by managing, synchronizing and coordinating customer interactions across all touch points including web, customer contact centre's, field organization and distribution channels. This research explores the kind of relationship marketing strategies that Indian telecom industries is pursuing in today's rapidly changing and highly competitive environment, and to study their effect on the service quality and satisfaction of customers. And also, it explores that impact of MNP services on telecom service provider in connection with regulations made by Department of Telecommunication.

KEYWORDS

Technology, Customer Relationship Management, Telecom Industry.

INTRODUCTION

Post liberalization has brought about dramatic shifts in the market place triggered by sharp changes in the demography, lifestyle pattern of the consumers, topography of the competition and the so called evolution in the communication technology. Marketers have realized that the time tested concepts of brand loyalty and mass marketing cannot be taken as the devices to gauge the behavior of the new generation consumers. This behavior is characterized by the individualized customer expectations. Apart from insisting on consistent quality and improved price performance ratio, marketers are looking out for more customization, availability of products 'anytime' and 'anywhere' and more information through advertisements rather than merely being a passive participant. Seeing the new emerging face of the customers, companies have realized that it is necessary to understand the changing demographic profile of the population in terms psychographics of the customers i.e., how they feel, think or behave. Further, the competition has become very intense at the market place and consumers have to choose from parity products. With the continuous entry of new competitors to explode the choice of consumers, marketers have realized the value of being customer focused and also are looking out for ways to retain existing customers to gain more revenue from them. Thus has emerged the saga of relationship marketing.

Relationship marketing charts a new different path- advocating a high customer contact and service and customer relation in order to build long term relationships with them. The present chapter is devoted to discuss in depth the emerging marketing scenario of relationship marketing, with firms learning and relearning that consumers are looking for quality and value for money. So all their moves at segmenting, targeting and positioning is to constantly upgrade the consumer and the product by finding new dimensions and also about a paradigm shift on concepts such as one to one marketing. The key to brand loyalty is through ensuring satisfaction and working towards the beginning of a long term relationship.

LITERATURE REVIEW

The aim of the literature review is to ensure that no important variable that has in the past been found repeatedly to have had an impact on the problem is ignored. A clear idea emerges as to what variables would be most important to consider, why they would be considered important, how they should be investigated to solve the problem. Thus, the literature survey helps the development of the theoretical framework and hypothesis for testing.

Sam Stembo⁸, in his article titled 'Strategic role of CRM in corporate renaissance' suggested that, "The Task of the organization is to understand its customers because of whom it exists, the organization and its people service providers and suppliers and manage an effective and efficient relationship. This is the only way to add value to every party involved in any transaction and lend to corporate renaissance.

G. Shainesh & Ramneesh Mohan⁹, in their study titled, 'The super intendance of customer kinship', "successful firms take a long term strategic view of customer relationship management. It cannot be solely managed through periodic programs. A holistic approach which leads firms to develop customer centric processes, integrate technology through customer oriented approaches, motivate employees to perform to their full potential through empowerment are pre-requisites for firms to successfully utilize their customer knowledge for customized or even one-to-one marketing".

⁸ Sam Stembo, "Strategic Role in CRM in Corporate Renaissance", South Asian Journal of Management, Vol. 9 issue No 2, April – June 2002, pp.16-22

⁹ G.S.Shainesh & Ramneesh Mohan, "The Super Intendance of Customer Kinship, Business and Strategy", August 2000, pp.19-22

G.P.Garg, Seema.S.Zoharhr, Rupali and Joozar Shula¹⁰, in their study titled 'Rejuvenating organizations for becoming winners- The millennium perspective', opined that, "The factors that contribute the making a business successful have one thing in common: they are strongly 'Customer focused' and heavily committed to 'Marketing'. In the dynamic external environment the successful companies are those, which overcome the 'corporate myopia', and are able to refocus their core competing in the perspective of customer as a predominant player by absolute dedication to service".

OBJECTIVES OF THE STUDY

The main objective of the study is to examine the "customer relationship management in Telecom Industry - with reference to Bharti Airtel" and to find out the suitability and relevance of these practices in contemporary marketing environment, the present study entitled "Customer Relationship Management in Telecom Industry – with reference to Bharti Airtel" have been taken up with the following objectives:

- To study the CRM Practices in Telecommunications industry in India.
- To study the 4 P's of marketing mix and 7 P's of service mix practices related to CRM adopted by Airtel.
- To examine customer preferences and usage patterns of sample respondents with regard to select telecommunication service provider.
- To study the impact of MNP service stipulated by Dept. of Telecommunications on CRM practices of Bharti Airtel.
- To evaluate the level of customer satisfaction and expectations with regard to various CRM practices adopted by the service provider.

DATA BASE AND METHODOLOGY

The study entitled, "Customer Relationship Management in Telecom Industry - with reference to Bharti Airtel" is based on both primary and secondary data. For the purpose of primary data a structured questionnaire was designed and administered to the customers of Airtel.

A sample of 240 respondents was selected on stratified random sampling basis from Airtel customers in Warangal District of Telangana region. To give representation to cross – section of the customers, stratified random sampling method was used. Respondents from various strata wise i.e. employees, businessmen, housewives, students, etc., were selected for the study. The various reports, manuals and documents etc., were also consulted to collect secondary data and relevant literature.

The data is processed, analyzed and presented in a systematic way through various statistical techniques like weighted average, weighted ranking, etc. Simple ranking techniques were also used to rank the responses of certain variables. The 5 – point Likert Scale technique was used to test satisfaction level of the respondents. Other tools such as ratios percentages are also used to present the data effectively.

SCOPE OF THE STUDY

The scope of the study is restricted to identify the customer relationship most in telecom companies only. The study was confined to Warangal district Airtel customers. The primary data was collected from a sample of 240 cellular users by administering a structured questionnaire.

The secondary data was collected from Airtel manuals, magazines and websites and so on. The study covers information about the customer relationship management practices in the telecom industry with regard to the quality of service, customer satisfaction, grievance redressal mechanism, additional benefits, loyalty programmes, MNP services etc. It also covers the physical facilities available at office premises, customer care service and other value added services provided by the Airtel.

It is aimed at enlightening the company about different steps to be taken up to increase the share of Airtel with regard to other competitors and also to make the company to provide better customer services.

LIMITATIONS OF THE STUDY

- Studying the expectation and behavior of all the respondents is difficult task. Therefore, the present study is confined to Warangal District of Telangana Region only.
- The study confined to only Airtel customers. Though there are many products offered by Airtel, only the mobile phone customers are taken for the study.
- The size of the sample is 240 only.

SUMMARY OF FINDINGS AND SUGGESTIONS

The findings of previous research studies suggested that CRM focuses on customers and the organization's entire gamut of functions related to value creation and value delivery. It is concerned with developing brand loyalty and customer loyalty to the highest possible level, to maintain long-term customer relationship. Therefore, CRM deployment is positively related to acquiring customers by understanding their needs, retaining customers by fulfilling their needs more than their expectations and attracting new customers through customer specific strategic marketing approaches. Amazingly, Bharati Airtel performs better than any other telecom service providers in case of establishing long term relationships.

While all telecom companies possess the essential infrastructure for CRM (information technology and non – information technology tools), Bharti Airtel is more vastly stronger in terms of non-information technology tools such as the capability to collect the customer feedbacks and complaints. This can be due to its inception has been at the forefront of technology and has pioneered several innovations in the telecom sector and this can be resulted to became third company in the world to cross 100 million mark in a single country.

The above-mentioned findings are propose that both IT and non-IT mediums (i.e. human interaction) can be used as an approach towards relationship development in terms of utilization of the categories in CRM classification, all telecom companies are applying operational, analytical, collaborative, and E-CRM . Although Bharati Airtel is again stronger in more effectively conveying the information for the customer and more effectively receiving information by the customer, this can be attributed to its customer centre's presence. Bharti Airtel is not having effective CRM strategy which involves the integration of all customer touch points. Therefore, the Bharati Airtel is not able to determine the daily performance of each customer centre in each division. Until the end of the month that central office receives the reports of the divisions and then it can identify the strengths and weakness of the channels.

Once organizing the customer base is completed, business can then design an individualized response in the right proportion to the expected level of customer profitability potential. Bharti Airtel effectively utilizes the internet to scrutinize better the core customer and then provide them with highly personalized and specialized services in its all divisions.

Furthermore, CRM can guide the managers how to take measures on allocating more resources on growing areas and aggravating activities on the unprofitable, less profitable customers and weak areas of business to improve them. The CRM play a vital role in telecom industry & banking industry where the competition is extremely high and profit margins are relatively low. It is of great importance for the telecom companies to attract new customers, retain existing ones, and establish long-term relationship with profitable ones.

The CRM empowers the Managers what are the best approaches to entice prospective customers, how to keep the existing ones and avoid defeating them to the competitions. The most profitable customers are the ones who contribute to a very high share of profit in any Business organization. Therefore, the CRM can assist the managers of the telecom companies to scrutinize those core customers and then to provide them with personalized services and products. It can guide the managers and employees how to boost the relationships with those customers by providing them the right products, services, and additional services at the right time via the most appropriate channel and by offering them diverse and pertinent cross-and up-selling options.

¹⁰ G.P. Garg, Seema S Zohar, Rupali & Joozar Shula, "Rejuvenating organizations for becoming winners – The Millennium perspective", JIMS 8M, April- June 2000, pp.22-24

CRM is beneficial to both the organization and the customers. The organizations benefit from reduction in customer acquisition costs, generation of more loyal customers, expansion of customer base, reduction in advertisement and promotion expenses, increase in the number of profitable customers, the possibility to introduce new products easily and also the possibility to expand the business.

CRM is beneficial to customers in the form of improved service quality, personalized service, reduction of risk and stress, increased value for money and empowerment.

An effective CRM Strategy involves the integration of all customer touch points. Customers can choose how they wish to sustain a dialog with the company. To retain customers, it is vital to keep dialog going and keep the customer in control. Customers enjoys being in control of their relationship. The technology needs to help the company to optimize the value of customer relationship across. The present study entitled "Customer relationship management - with reference to Bharti Airtel," has been undertaken by me and the following observations were made.

- The age wise distribution of sample respondents reveals that on the whole, a majority of the respondents constituting about 48 per cent is represented by below 25 years age group and is followed by 25-35 years age group (33.33 per cent). The sample is dominated by the respondents in the age group of below 25 years.
- Gender wise composition of sample respondents shows that males dominated the Airtel mobile services with 73.80 per cent, followed by female respondents (26.11 per cent). This shows that there is gender bias in the use of Airtel mobile services.
- The study of occupational pattern of sample customers reveals that on the whole as many as 40 per cent of respondents are professionals, followed by students with 25 per cent. It indicates that most of the professionals are using Airtel mobile services and followed by students.
- From the Income wise analysis of sample respondents it is observed that majority of the Airtel consumers were earning Rs.10, 000 - Rs.20,000 income, representing nearly 47 per cent and followed by less than Rs. 10,000 income group (23.89 per cent).
- The family size of the respondents reveals that a majority of the respondents (40 per cent) have a family size consisting of 5-6 members, followed by 3-4 family size with 35.00 per cent. It indicates that 5-6 members of family size dominated the sample.
- The educational back ground of the respondents shows that 40.00 per cent are postgraduates followed by graduates (22.78 per cent). This indicates a close relationship between education and use of mobile phones. It is the educated consumers who know the use of mobile phones effectively.
- Urban respondents dominated the sample with 60 per cent followed by semi urban respondents of 23.33 per cent and rural account for 16.67 per cent. This indicates that the higher rate of penetration of mobile phones in urban areas as compare to rural areas. Further, this also indicates that mobile phones making inroads into rural and semi urban areas including hamlets.
- An Analysis of type of the service preferred by the sample respondents of Airtel reveals that pre-paid services more popular when compared to postpaid services, and an overwhelming majority of 83 per cent of the respondents preferring pre-paid services. This was due to several advantages associated with pre-paid service.
- An Analysis of motivators/influencer, who convinces the respondents to use the service, reveals that it is observed from the study that friends are the most dominant motivators (72.22 per cent) of customers in convincing the respondents to use Airtel services.
- It is observed that majority of the respondents (52.22 per cent) have been using Airtel cellular connection for more than 4 years due to wide network coverage.
- Further it is observed that, an overwhelming majority (83.33 per cent) of respondents of Airtel have not shifted from Airtel to other service provider. In the recent past about 17 per cent of sample respondents shifted from other network to Airtel. This indicates that the Airtel service provider has been attracting new customers into their Airtel family from other service providers.
- It is observed from the opinions of the respondents who shifted from other network to Airtel that the wide network is the main reason for shifting.
- The Study of reasons for staying with the present service providers reveals that the main reason to stay with Airtel service provider is wide network (Rank 1) followed by more features (rank 2). Lower tariff, service innovations, loyalty programs, customer information system, grievance redressal mechanism, offering gifts and others occupied rank 3, rank4, rank5, rank6, rank7 , rank8 & rank 9 each respectively.
- It is observed that majority (64.44 per cent) of the respondents stated that 1 paisa per 1 second scheme attracted them most.
- Majority of the respondents (62.77 per cent) are of the opinion that they welcome the MNP service which is introduced by Department of Telecommunications.
- Majority of the respondents (58.89 per cent) expressed that they prefer to switch over from current telecom service provider to other service provider after MNP service is introduced into telecom industry.
- Further, it is observed that majority of the respondents (39.18 per cent) would like to switch from current telecom service to others because of wide coverage area.
- It is observed that Majority of the respondents (34.44 per cent) satisfied with pre- sale attention of the company personnel.
- Further it is inferred that majority of the respondents are satisfied with the attitude shown during sales by the company personnel.
- Majority of the respondents (50.00 per cent) expressed that the pricing of the recharge cards of Airtel is reasonable, and it is inferred that majority of the respondents are happy with the pricing pattern of their service provider.
- An analysis of the preferred place of purchase of recharge cards by the sample respondents shows that more than half of the respondents purchased recharge cards at their nearby retail shops and the service provider should follow mass distribution strategy.
- It is further observed that the retailers and other store people are charging Rs.1 or Rs.2 extra than the MRP except at company outlet. The service provider should maintain MRP strictly.
- A study of benefits received by the sample customers from their service provider for loyalty reveals that almost majority of the respondents (60 per cent) were not benefited for additional loyalty, and not getting benefit being loyal to their service. This could be due to the reason that a proper database is not being maintained by service provider and hence the failure in benefiting the loyal customers.
- It is observed that majority of the respondents are complaining about the marketing calls and about inadequate services to their service providers.
- The company personnel are solving the problems of customers. In majority of the cases the company personnel are solving the problem with in one day or two days. This is a good sign on the part of company to retain the customers and improve the loyalty.
- The customers who stated that they were not satisfied with the complaint redressal mechanism and are of the opinion that, the service provider is taking 3 to 4 days time in solving their problems though it is very simple and can be solved in one day.
- The study of customer satisfaction with regard to facilities on the basis of visit to the customer service centre related attributes ranked accessibility as the most satisfactory attribute (Rank 1) followed by neatness (Rank 2). Space, Behavior of personnel, punctuality, proper ventilation, indicators-who does what & parking place are occupied third, fourth, fifth, sixth, seventh and eighth each respectively.
- Majority of the respondents expressed that they are expecting immediate responses from the company personnel in the form of taking complaints or providing information. Further the respondents have added that there should be personal attention and care from company personnel in solving the problems of customers/
- It is observed that, majority of respondents (79.44 per cent) are expecting free talk time during slack hours/ holidays from the service provider for loyal customers.
- It is inferred that, the respondents are expecting quicker grievance redressal mechanism to solve their problem and courtesy from company personnel at the time of receiving, solving problems etc.

SUGGESTIONS

- The cellular market spare is a highly competitive one, in which the competitors are aggressively promoting their services and gaining the market share. One of the reasons being a large potential market is a felt need for a communication device with the added benefit of portability. Here it is seen that the market leader Airtel has made great strides by concentrating on technology and expanding into the newer segments of the market by offering attractive schemes. This is clearly the reflection of the conventional marketing knowledge which shows that Airtel is able to maximize its first mover's advantage in the market and grab a larger slice of the market and strengthen its market share.
- Airtel is operating in a growing market; hence it should focus more on attracting new customers through innovative products and effective ad-campaign.
- Airtel should try to enlarge its rural customer base as its subscriber profile is highly skewed towards urban customer and every scope is there to improve the client base particularly in rural and semi urban areas.
- It should offer competitive products to the rural customer by taking into consideration the rural customer needs and their profile.
- It would be advantages for the company if it can provide bundle offer i.e. hand set with life time validity at a competitive price.
- Airtel is concentrating too much on prepaid customers; however it would be prudent to focus on postpaid customers as they constitute an assured chance of business.
- Airtel should carry out intensive campaigns so as to promote postpaid services with attractive offers like lower minimum monthly commitment, minimum call charges, bonus offers, and loyalty additions in the form of talk time, gifts etc. and group offers.
- It is seen that the quality and coverage of the Airtel is good, however the customers are experiencing signal drop and call congestion hence Airtel should try to resolve technical issues and provide seamless coverage to its customers.
- It seems that Airtel is using its dominant position to extract more from the customers using prepaid services, this is causing lot of resentment among the customers, and hence Airtel should increase the usage time on its prepaid cards.
- Airtel should reward its loyal customers for their loyalty by offering free talk time, extra talk time on recharges, caller tunes, and other value added services as it can be a good retention tool and an effective CRM practice.
- Airtel services should be made available in the market and nearer to the customer wherever they lives. However the margin that is being provided to the retailers to stock and sell the prepaid cards, recharge vouchers is a very low. Hence the retailers are charging Rs. 1 or Rs.2 extra to provide their services. This is creating lot of resentment among the customers of Airtel, hence Airtel should either increase the margins to the retailers or should think of some other distribution pattern.
- The service providers are looking at MNP as competitive tool to gather the customers in the market as the customers are waiting eagerly to move from one service provider to other.
- The MNP would enable the disgruntled customers to switch from one service provider to another; hence every service provider should plan to acquire customers from others while retaining their own customers. To achieve this and the service providers should take measures like customer loyalty schemes and other relevant creative CRM practices.
- Airtel should carry advertising campaigns by effectively using the promotion mix namely advertising promotions campaigns, personal selling and should carry out large scale sales promotion campaign by utilizing various media.
- Airtel is lagging in the advertisements comparative to its competitors, and is not using creative advertisement programmes. Hence it is suggested that the Airtel should adopt most innovative and creative advertisement strategies aiming at its target customers and it should be an intensive campaign to create favorable brand loyalty for the company.

CONCLUSION

The market has become highly competitive and cellular service providers are no exception to this, hence to effectively compete in this hyper competitive environment, companies should continuously endeavor to exceed the expectations of the customers in terms of the quality of service, features that are being offered to the customers, various schemes brand building steps, product offerings etc. It is seen that the cellular market is in a growth mode and the potential is vast if not unlimited, however only those service providers who are able to provide the service according to the needs of the customers and meet their expectations will clearly have an edge over others. Hence the service providers should continuously strive to exceed the expectations of the customers. It has been rightly said one satisfied customer is worth 10 prospective customers and are disgruntled customers can break 20 prospective customers. To gain the customer loyalty it is imperative to practice innovative and creative customer relationship management techniques and retain their competitive edge.

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INITIATIVE TAKEN TOWARDS RETAIL MARKETING IN INDIA WITH REFERENCE TO LUCKNOW CITY (U.P.), INDIA

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ABSTRACT

The scope of this study is to understand the concept of retail marketing. This paper will give an insight on the nature of retail business; strategies used by retailers, new trends in the market, problems associated with it and innovative ways for higher footfall at the retailers point. It will capture the current trend in the market and new formats retailers are adopting to distinguish themselves on the basis of their services, product quality and ambience.

KEYWORDS

Retail marketing, retail stores, supply chain management, global retail, change accelerators.

INTRODUCTION

Retailing is all the activities involved in selling goods and services directly to final consumers for their personal, non-business use. Although most retailing is done in retail stores, in recent years **non-store retailing** -selling by mail, telephone (telemarketing), door-to-door contact, vending machines, and numerous electronic means -- has grown tremendously.

Store retailing: retail stores come in a variety of shapes and sizes, and new retail types keep emerging. They can be classified by one or more of several characteristics:

Retailers can be classified by one or more of several characteristics:-

- Amount of service
- Product line
- Relative prices
- Control of outlets
- Type of store cluster

OBJECTIVE OF STUDY

- ❖ The aim of this report is to understand the growth of retail marketing and analyze the changing retail scenario in the country in respect to the Global environment.
- ❖ Focus on different format that is being followed in Lucknow and worldwide by retailers and the latest trends in malls and the requirement of big retailers for setting up shops in India.
- ❖ Problems related to the retailing in Lucknow.
- ❖ To understand the concept and importance of merchandising and supply chain management for retail marketing.
- ❖ The demographic profile of the population and the economic scenario i.e. the emerging middle class is having its presence felt in all retail formats.
- ❖ The role of information technology in retail to make it more adaptable to the never ending consumer demand and easy accessibility by the retailers to manage the operation effectively and efficiently.
- ❖ The challenges before organized retail and ways to overcome it.
- ❖ The role of government in giving retail an industry status and the impact of government policies on present day retail in Lucknow.
- ❖ To study how unorganized sectors are now trying to be organized and its impact on market.

DEMOGRAPHICS AND CONSUMER BEHAVIOUR

India is estimated to have a population of 1.04 billion as of 2003. Population growth is expected to stabilize at approximately one and a half percent in the next few years. In recent years, there has been a trend in the movement of population from rural areas to urban areas, largely as a result of increased employment opportunities in the cities as well as a preference of the younger generation to move away from agriculture. The percentage of population moving to Class I towns, which are basically large cities with a population of over 1 million, has seen significant growth in recent years. As a result of this trend, the percentage of population living in urban areas has seen dramatic growth in the past two decades. One of the important demographic trends in recent times is the change in the age profile of the population. The percentage of the population in the 15 to 59 year age group, which is largely the country's workforce, is expected to increase in coming years.

Growth of population and urbanization	1981	1991	2001
Population growth (decennial %)	24.7	23.8	21.3
Urban population as a % of total	23.3	25.7	33.4
% of urban population in class I cities	60.4	65.2	73.7

Ageing Population	1996	2001	2006 (Projected)	2010 (Projected)
0-14 years (%)	37.8	34.3	30.6	28.8
15-59 years (%)	55.6	58.7	61.9	63.2
60 and above (%)	6.7	7.0	7.5	8.0

THE GLOBAL RETAIL INDUSTRY-AN OVERVIEW

Retail has played a major role world over in increasing productivity across a wide range of consumer goods and services. The impact can be best seen in countries like U.S.A., U.K., Mexico, Thailand and more recently China. Economies of countries like Singapore, Malaysia, Hong Kong, Sri Lanka and Dubai are also heavily assisted by the retail sector. Retail is the second-largest industry in the United States both in number of establishments and number of employees. It is also one of the largest worldwide. The retail industry employs more than 22 million Americans and generates more than \$3 trillion in retail sale annually. Retailing is a U.S. \$7 trillion sector.

GLOBAL RETAIL

	1999	2002	2005
Total Retail (US\$ Billion)	150	180	225
Organised Retail (US\$ Billion)	1.1	3.3	7
% Share of Organised retail	0.7	1.8	3.2

(Source: CSO, MGI Study)

TOP RETAILERS WORLDWIDE

RANK	RETAILER	HOME COUNTRY
1	Wal-Mart Stores, Inc.	U.S.A.
2	Carrefour Group	France
3	The Kroger Co.	U.S.A.
4	The Home Depot, Inc.	U.S.A.
5	Metro	Germany

(Source: STORES / Deloitte Touche Tomahatsu)

CURRENT STATUS OF RETAIL MARKETING IN INDIA

As the corporates – the Piramals, the Tatas, the Rahejas, ITC, S.Kumar's, RPG Enterprises, and mega retailers- Crosswords, Shopper's Stop, and Pantaloons race to revolutionize the retailing sector, retail as an industry in India is coming alive. Retail sales in India amounted to about Rs.7400 billion in 2002, expanded at an average annual rate of 7% during 1999-2002. With the upturn in economic growth during 2003, retail sales are also expected to expand at a higher pace of nearly 10%. Across the country, retail sales in real terms are predicted to rise more rapidly than consumer expenditure during 2003-08. The forecast growth in real retail sales during 2003- 2008 is 8.3% per year, compared with 7.1% for consumer expenditure. Modernization of the Indian retail sector will be reflected in rapid growth in sales of supermarkets, departmental stores and hyper marts.

Sales from these large-format stores are to expand at growth rates ranging from 24% to 49% per year during 2003-2008, according to a latest report by Euro monitor International, a leading provider of global consumer-market intelligence.

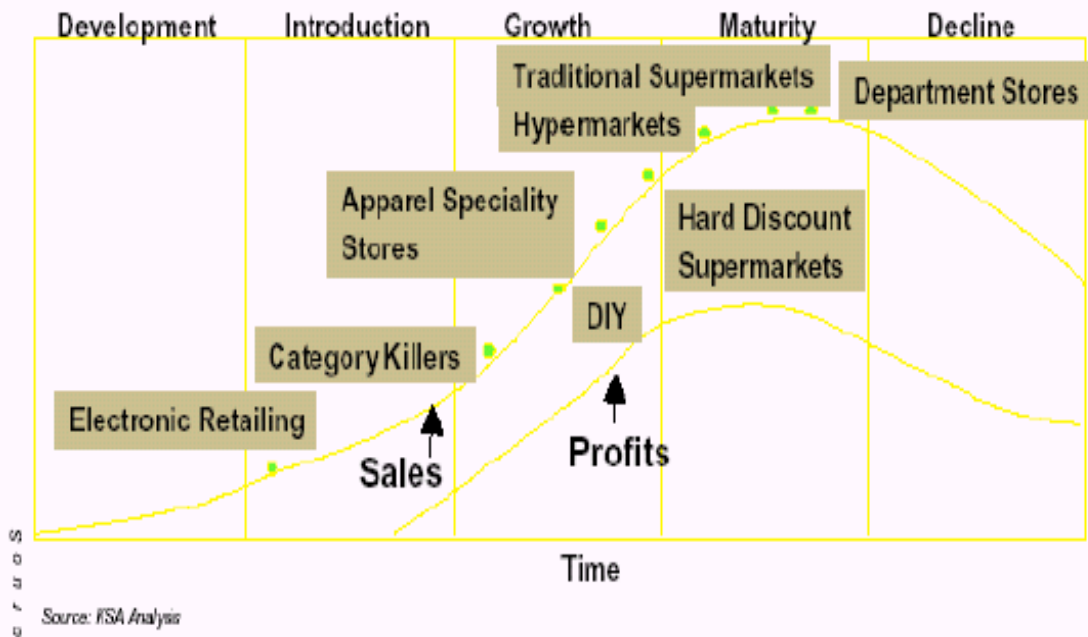
The factors responsible for the development of the retail sector in India can be broadly summarized as follows:-

- Rising incomes and improvements in infrastructure are enlarging consumer markets and accelerating the convergence of consumer tastes.
- Looking at income classification, the National Council of Applied Economic Research (NCAER) classified approximately 50% of the Indian population as low income in 1994-95; this is expected to decline to 17.8% by 2006-07.
- Liberalization of the Indian economy which has led to the opening up of the market for consumer goods has helped the MNC brands like Kellogs, Unilever, Nestle, etc. to make significant inroads into the vast consumer market by offering a wide range of choices to the Indian consumers.
- Shift in consumer demand to foreign brands like McDonalds, Sony, Panasonic, etc.
- The Internet revolution is making the Indian consumer more accessible to the growing influences of domestic and foreign retail chains. Reach of satellite T.V. channels is helping in creating awareness about global products for local markets. About 47% of India's population is under the age of 20; and this will increase to 55% by 2015. This young population, which is technology-savvy, watch more than 50 TV satellite channels, and display the highest propensity to spend, will immensely contribute to the growth of the retail sector in the country. As India continues to get strongly integrated with the world economy riding the waves of globalization, the retail sector is bound to take big leaps in the years to come.

Popular Formats

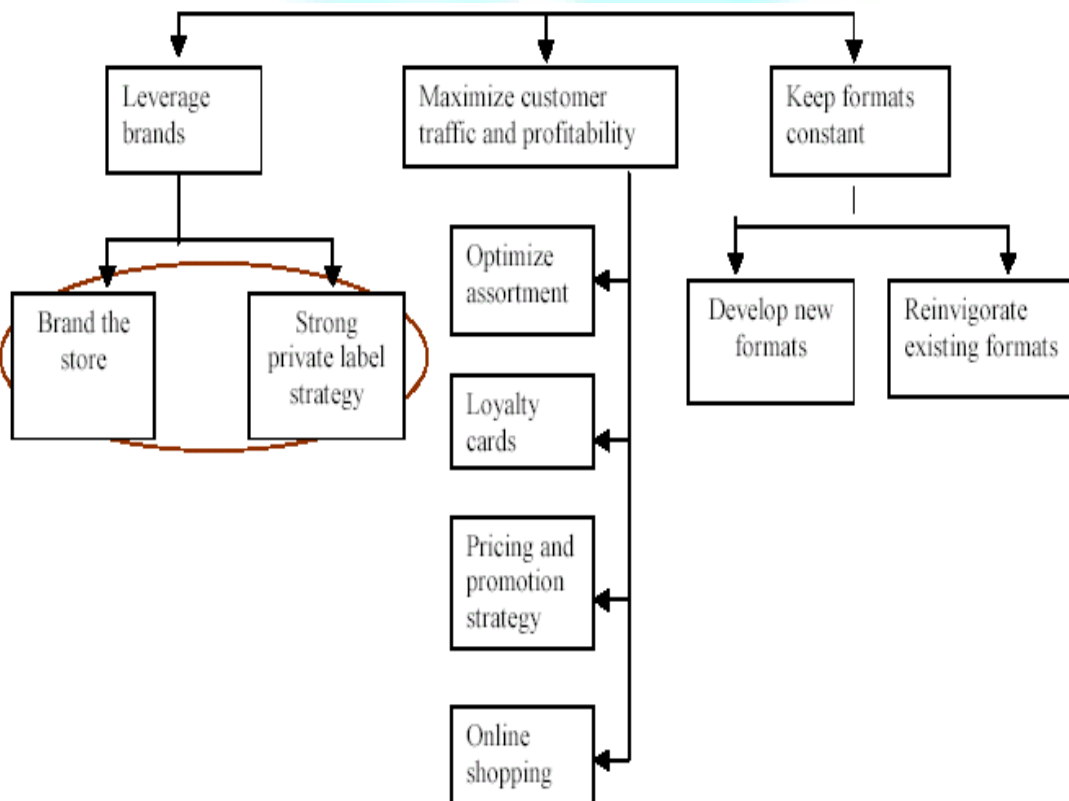
- ❖ Hyper marts
- ❖ Large supermarkets, typically (3,500 - 5,000 sq. ft)
- ❖ Mini supermarkets, typically (1,000 - 2,000 sq. ft)
- ❖ Convenience store, typically (7,50 - 1,000 sq. ft)
- ❖ Discount/shopping list grocer

Different formats are at different stages of evolution
Brands have grown by “format” migration and “cross-border consolidation”

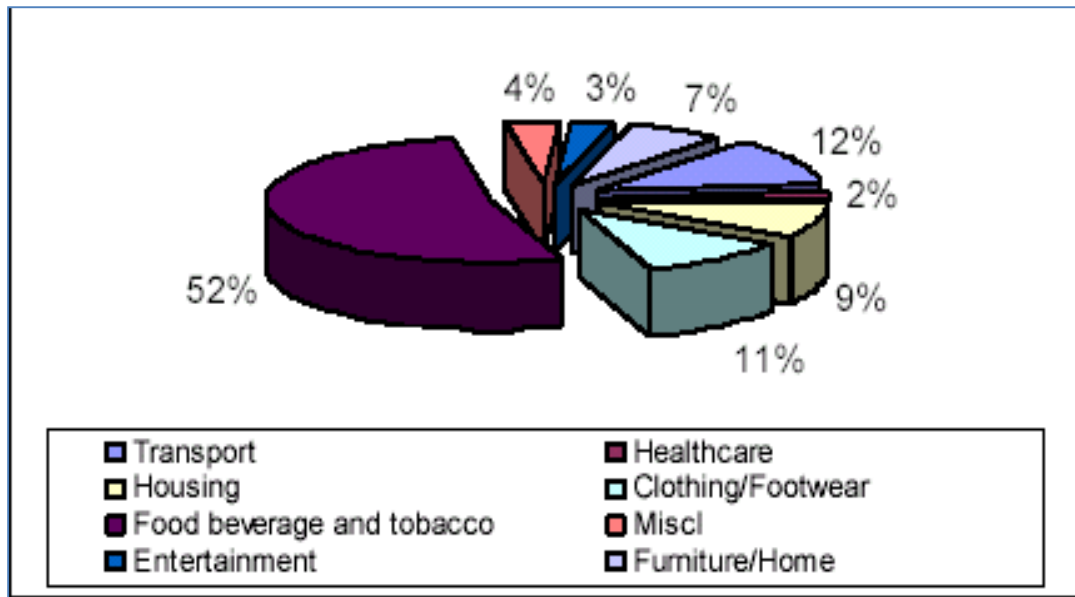


THE 3 STAGES OF EVOLUTION OF THE TRADE CHANNEL ARE SHOWN IN THE EXHIBIT BELOW

As seen, the role of the intermediary is being diminished gradually, which has obvious implication of backlash of the trade channel upwards towards the suppliers. This is more severe in countries such as India, where the channel economics in favour of the middlemen is still strong enough given the fragmentation of the retail sector. Therefore when Food World, the largest grocer in India has a “direct supply” contract with over 20% of its key suppliers, it gives rise to conflict of interest with the distribution infrastructure that suppliers have painstakingly built over the years. Thus companies like HLL have evolved a distinct distribution channel altogether (called “Modern Trade”) to service the needs of such large grocers. Even the mom and pop stores (known as kirana shops) are affected due to this “unfair” back-end advantage extended by the supplier to its leading accounts (the emerging supermarket chains). The strategies adopted by the retailer to compete with branded goods are illustrated by the following diagram. Branding the store and following a private label strategy is the key strategy which helps the retailer to compete with branded products.



KEY CATEGORIES



IMPORTANCE OF SUPPLY CHAIN IN RETAIL

The modern retailing in India is booming and India can position itself as a lead player in Asia, if the retail sector here attains the competitive strengths by responding to the Changing Markets. Spelling out the strategy for efficient management of Supply Chain, by 2010 the supply chain must be highly focused and differentiated. "In today's highly competitive environment, as companies are under intense pressure to reduce costs, expand into new markets and develop new products, every manufacturer's supply chain is expanding and becoming increasingly complex. However, complexity is not the enemy to the supply chain — effectively managing complexity can be a manufacturer's greatest asset," Experts from the retail business affirmed that the current retail boom in India can only sustain its momentum if supply chain Management is given the top priority by the retail players.

The supply chain has a key role to play in the expansion and profitability of many companies, but it has rarely been adapted to meet the new demands placed upon it. The critical differentiating factors that synchronize across the entire global supply chain are Collaborating with customers, rather than only with suppliers. Also, Undertaking customer profiling, customer loyalty and customer segmentation initiatives and increasing performance through managing products and introducing new products are vital in the changed scenario, he said.

In India the retail sector is the second largest employer after agriculture and is highly fragmented. It predominantly consists of small independent, owner managed shops. There are some 12 million retail outlets in India. Interestingly A. T Kearney Global Retail Development Index 2004 places India as the second amongst the emerging markets in the world. Studies indicate that organized retail will grow from a 2% of the total retail industry to a significant 20% by the end of the decade the retail sector currently growing at a rate of 8.5%.

It has been seen internationally that development of modern retail formats is directly linked to the level of development of local economies. In India this is beginning to happen, but has a long way to go. There are certain bottlenecks in the supply chain in Indian retail segment that fragment the whole market are structure of organization, Infrastructure lacuna and absence of effective use of Information Technology. These core issues are currently impeding the growth of retail sector in India from reaching at par with the world-class operations.

The Indian retail sector potential is too vast to be ignored for long. The major challenges for retail sector in India are manifold. To meet these growing challenges the Terms and definitions related to trading such as retailing, wholesaling, direct selling, multilevel marketing etc should be aligned, with internationally accepted norms.

CHALLENGES BEFORE ORGANIZED RETAILING

Retailing as an industry in India has still a long way to go. To become a truly flourishing industry, retailing needs to cross the following hurdles:-

- ❖ Automatic approval is not allowed for foreign investment in retail.
- ❖ Regulations restricting real estate purchases, and cumbersome local laws.
- ❖ Taxation, which favours small retail businesses.
- ❖ Absence of developed supply chain and integrated IT management.
- ❖ Lack of trained work force.
- ❖ Low skill level for retailing management.
- ❖ Intrinsic complexity of retailing – rapid price changes, constant threat of product.

Indian retailers must use innovative retail formats to enhance shopping experience, and try to understand the regional variations in consumer attitudes to retailing. Retail marketing efforts have to improve in the country.

- ❖ advertising, promotions, and campaigns to attract customers;
- ❖ building loyalty by identifying regular shoppers and offering benefits to them;
- ❖ efficiently managing high-value customers;
- ❖ Monitoring customer needs constantly, are some of the aspects which Indian retailers need to focus upon on a more pro-active basis.

CHANGE ACCELERATORS

The following factors will be significant in driving growth in the retail sector:

- ❖ Consumer factors
- ❖ Increase in income
- ❖ Working women
- ❖ Changes in lifestyle – demand for “global” trends
- ❖ Supply side factors
- ❖ Growing importance of retailing in political and economic agenda
- ❖ Real estate reforms to be undertaken in the next 24 months
- ❖ Major restructuring of the manufacturing sector easing product supply constraints for efficient retailing

- ❖ Reduction in import duties-offering more global sourcing options.

FINDINGS

On the basis of this research there are following findings.

- unorganized retail sector has 97% presence in Lucknow city
- The old traditional formats are slowly changing into more complex and bigger formats. Malls and mega malls are coming up in almost all the places.
- It provide employment about 6% people in india.
- More than 99% retailer's function in less than 500 square feet of shopping space.
- India is rated the fifth most attractive emerging retail market.
- Rural markets emerging as a huge opportunity for retailers.
- The India retail industry is expected to Rs. 109,000 crore by the year 2010.
- The tax structure in India favors small retail business.
- Restrictions in Foreign Direct Investment
- Shortage of retail study options
- Shortage of trained manpower
- Low retail management skill.
- Retail industry grows by 20% annually and is one of the fastest growing sectors in India.

SUGGETION & RECOMONDETION

- The organized retail industry is facing lot of opposition from traders, politicians and the government has to formulate a separate policy for the industry.
- FDI needs to be encouraged and land acquisition rules required modification. Retail has to be recognized as a separate industry and to be given fair treatment by all.
- There is need for organized to this industry for rapid development and for proper functioning of retail industry.
- Government can help to this sector by making related law, policy and control.
- There should be open many training and educational institution for filling the gap of the skilled people requirement.

CONCLUSION

For a start, these retailers need to invest much more in capturing more specific market intelligence as well as almost real-time customer purchase behaviour information. The retailers also need to make substantial investments in understanding/acquiring some advanced expertise in developing more accurate and scientific demand forecasting models.

Re-engineering of product-sourcing philosophies - aligned more towards collaborative planning and replenishment should then be next on their agenda. The message, therefore, for the existing small and medium independent retailers is to closely examine what changes are taking place in their immediate vicinity, and analyse whether their current market offers a potential redevelopment of the area into a more modern multi-option destination. If it does, and most commercial areas in India do have this potential, it would be very useful to form a consortium of other such small retailers in that vicinity and take a pro-active approach to pool in resources and improve the overall infrastructure. The next effort should be to encourage retailers to make some investment in improving the interiors of their respective establishments to make shopping an enjoyable experience for the customer.

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Co-ordinator

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In this age of Commerce, Economics, Computer, I.T. & Management and cut throat competition, a group of intellectuals felt the need to have some platform, where young and budding managers and academicians could express their views and discuss the problems among their peers. This journal was conceived with this noble intention in view. This journal has been introduced to give an opportunity for expressing refined and innovative ideas in this field. It is our humble endeavour to provide a springboard to the upcoming specialists and give a chance to know about the latest in the sphere of research and knowledge. We have taken a small step and we hope that with the active co-operation of like-minded scholars, we shall be able to serve the society with our humble efforts.

Our Other Journals

