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CONTENTS

Sr. No.	TITLE & NAME OF THE AUTHOR (S)	Page No.
1.	COMPETENCIES, WORK ATTITUDES AND TRAITS OF LIBRARIANS IN THE 21st CENTURY OF SELECTED PRIVATE AND PUBLIC COLLEGES IN REGION 4A, PHILIPPINES <i>DR. LEONOR N. TIU, DR. MA. LINDIE D. MASALINTO, DR. PEDRITO JOSE V. BERMUDO, DR. NONET AMA CUY & DR. ANTONIO D. YANGO</i>	1
2.	HOW NIGERIAN ENTREPRENEURS PERCEIVE THEIR EXTERNAL ENVIRONMENTAL CHARACTERISTICS <i>IHEANYI C. ACHUMBA & CHIBUIKE UGO A.</i>	10
3.	A STUDY ON OCCUPATIONAL STRESS EXPERIENCED BY TILE INDUSTRY EMPLOYEES IN KANNUR AND CALICUT DISTRICT OF KERALA STATE <i>JINS JOY. P & DR. R. RADHAKRISHNAN</i>	17
4.	REVISIONING GANDHI'S SWARAJ AS AN ALTERNATIVE MODEL OF 'GLOBALISATION' <i>DR. PAWAN KUMAR SHARMA</i>	20
5.	MORPHOLOGICAL BACKGROUND DETECTION AND ENHANCEMENT OF IMAGES WITH POOR LIGHTING USING CUMULATIVE HISTOGRAM ANALYSIS <i>ASHWINI P. & DR. KHALID NAZIM S.A.</i>	22
6.	THE PLACE OF SMALL AND MEDIUM ENTERPRISES IN ECONOMIC DEVELOPMENT: A KENYAN PERSPECTIVE <i>JAMES WAFULA WANYAMA</i>	28
7.	ASSESSING PRODUCT SUSTAINABILITY, CUSTOMER LOYALTY AND SATISFACTION WITH XYZ TELECOMMUNICATION AMONG UNDERGRADUATE STUDENTS IN GHANA: THE CASE STUDY OF UNIVERSITY FOR DEVELOPMENT STUDIES, WA CAMPUS <i>DR. GORDON TERKPEH SABUTEY, DR. JOE ADU-AGYEM & DR. C. K. OSEI</i>	32
8.	STATE OF HEALTH IN ODISHA: A MAJOR HURDLES FOR INCLUSIVE GROWTH <i>PARTHA SARATHI DAS & SONAM SUBHADARSHINI</i>	42
9.	GREEN MARKETING AND ITS IMPORTANCE FOR COMPANIES <i>VIJAY PRAKASH ANAND</i>	46
10.	IMPACT OF BRAND CELEBRITY ON CONSUMER PURCHASE INTENTIONS: A STUDY WITH REFERENCE TO SELECTED MOBILE SERVICE PROVIDES IN HYDERABAD CITY <i>NAGUNURI SRINIVAS</i>	49
11.	A STUDY ON THE SHOPPING PATTERN OF TOURISTS' TO THE DUBAI SHOPPING FESTIVAL <i>SANGEETA PETER & DR. VICTOR ANANDKUMAR</i>	55
12.	ANALYSIS OF SIZE, GROWTH AND PROFITABILITY IN INDIAN TWO AND THREE WHEELER SECTOR COMPANIES <i>DR. A. VIJAYAKUMAR & S.SRI DEVI</i>	58
13.	FARMERS' AWARENESS ABOUT CROP INSURANCE SCHEMES: AN ANALYTICAL STUDY <i>T.T. KARTHIK & DR. L. P. RAMALINGAM</i>	66
14.	A CASE STUDY ON VIRAL MARKETING CAMPAIGNS 'HAR EK FRIEND ZARURI HOTA HAI' VS. 'HONEY BUNNY' <i>SHIPRA BHUTANI & DIPTI JAIN</i>	73
15.	A STUDY ON FACULTIES PERCEPTION OF STRESS AND COPING STRATEGIES <i>ANITHA.A & DR. R. SRITHARAN</i>	78
16.	CONSUMER PERCEPTION ON ORGANIZED AND UN-ORGANIZED RETAIL OUTLETS: A STUDY IN COIMBATORE <i>DR. K. SINGARAVELU & J. SAMUELCAESER PICKENS</i>	83
17.	A STUDY ON PERCEPTION OF QUALITY OF WORK LIFE AMONG TEXTILE INDUSTRY WORKERS IN GUJARAT <i>DR. MEETA MANDAVIYA</i>	88
18.	CLUSTER ENTREPRENEURSHIP: A CASE STUDY OF HARYANA <i>MEETU CHAWLA</i>	93
19.	A STUDY ON THE AWARENESS ABOUT CORPORATE SOCIAL RESPONSIBILITY AND ENVIRONMENT AMONG MBA STUDENTS IN ARTS AND SCIENCE COLLEGES IN TRICHY <i>DR. A. KANMANI JOAN OF ARCH</i>	97
20.	IMPACT OF GLOBALISATION IN INDIA: SOME ISSUES <i>PADALA SANDYA RANI</i>	100
21.	GLOBALISATION AND NUTRITIONAL CHANGE IN INDIA <i>DR. MANOJ KUMAR SHARMA</i>	107
22.	TEA INDUSTRY IN TAMILNADU: DISTRICT WISE ANALYSIS <i>DR. R. SIVANESAN</i>	109
23.	ADVERTISING: A SUBVERSION OF MEANINGFUL LIVING <i>DR. PAWAN KUMAR SHARMA</i>	117
24.	ANALYZING CUSTOMERS' PREFERENCES IN SELECTING HOTEL SEGMENT: AN EMPIRICAL CASE STUDY <i>DR. BIKRANT KESARI & PRYAS JAIN</i>	120
25.	A STUDY OF RE-INVESTMENT STRATEGY OF FIVE MUTUAL FUNDS WITH SPECIAL REFERENCE TO GROWTH FUNDS <i>VIMMY ARORA & NISHA PANNU</i>	125
26.	ASSESSMENT OF LOAN OPERATION AND FINANCIAL PERFORMANCE OF DEVELOPMENT BANK OF ETHIOPIA <i>DEGU KEFALE CHANIE</i>	129
27.	THE QUALITY OF CUSTOMER SERVICE IN NIGERIA'S INTERNATIONAL AIRLINE INDUSTRY AND IT'S RELATIONSHIP WITH THE LEVEL OF PATRONAGE: A CASE OF AIR FRANCE AND LUFTHANSA <i>IKEOGU CHRISTOPHER</i>	136
28.	JOINT VENTURE AND ITS ISSUES <i>RIDHI GUPTA</i>	144
29.	PROMOTING GOOD GOVERNANCE IN THE MANAGEMENT OF NGOS IN INDIA FOR RURAL DEVELOPMENT <i>DR. SUNIL KUMAR</i>	148
30.	ENVIRONMENTAL ACCOUNTING AND CORPORATE SOCIAL RESPONSIBILITY: AWARENESS & BENEFITS OF SELECTED COMPANIES IN BANGALORE <i>RAVIKUMAR K</i>	151
	REQUEST FOR FEEDBACK	155

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COMPETENCIES, WORK ATTITUDES AND TRAITS OF LIBRARIANS IN THE 21st CENTURY OF SELECTED PRIVATE AND PUBLIC COLLEGES IN REGION 4A, PHILIPPINES

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ABSTRACT

Competencies are the techniques, skills knowledge and characteristics that can make a certain employee or person stand out over a regular employee with the same function or work category because of his performance. This study aimed to evaluate the competencies, work attitudes and traits of librarians in the 21st century and to determine how the professional and personal competencies of the respondent-librarians relate to their work attitude, factors affecting their work attitudes and traits. The researcher used the descriptive method utilizing the process of assessment and evaluation and randomly interviewed librarians from different private and public colleges and universities in Region 4A. Based on the findings there was a moderate correlation between professional competencies and traits of librarians, for personal competencies and traits of librarians, no significant relationship was found among education, service commitment, leadership, flexibility, and ethics.

KEYWORDS

competencies, work attitudes, traits, 21st century librarians.

INTRODUCTION

The 21st Century calls for empowerment of an individual. It is an important process that enables someone to take action and to control, to work and to make decision in autonomous ways. Librarians, similarly, to be empowered must be competent enough in their field. Our government has empowering initiatives for librarians through the creation of (R.A. 9246) "Modernizing the practice of Librarianship in the Philippines and repealing Republic Act 6966, Entitled: An Act regulating the Practice of Librarianship and Prescribing the Qualifications of Librarians. This is to transform the image of librarians from passive to active and smart personality due to the changing needs of the profession. Likewise, Article IV section 6 of CHED Memorandum Order (CMO No.8, series of 2005), the competency standards for the librarians in the Philippines can be measured in terms of the following core competencies: professional competencies and personal competencies. On the other hand, librarians, nowadays need to be technology oriented, thus one's behavior towards the IT world might affect his/her competency. Attitudes affect behaviour and must be considered in managing staff, especially during change and innovation (Spacey, Guilding, and Murray, 2004). Moreover, Janes (2002) reveals that reference librarians with digital reference experience tended to have more positive attitudes than those who had no experience. Training and experience with particular events, behaviour, or action affects the attitude of an individual toward them. Adequate training and knowledge of ICT are crucial in encouraging librarians to show a positive attitude toward it. The mentioned scenarios fall under career adaptability which is one of the librarians' work attitudes that this study shall focus on. Attitude has direct impact on job satisfaction. Organizational commitment on the other hand, focuses on their attitudes towards the entire organization, as mentioned by Tella (2007). The objective of this study is to describe the current competencies, work attitudes and traits of librarians in selected colleges and universities in Region 4A. It is said to believe and to accentuate that librarians in these area are

working in the provinces. Professionals working in those should be capable of adopting the new trends in the information technology and digitalization of documents and services. Because many libraries will eventually be transformed into digital libraries, and require professionals educated in this area. Region 4A is being situated a couple of kilometers away from Manila, the seat of modernization in the Philippines. Specifically, it sought answer to the following questions: 1. How do the respondent-librarians rate their professional and personal competencies?, 2. How do the respondent-librarians describe their work attitudes in terms of: career adaptability, job satisfaction and organizational commitment? 3. What are the perceived factors affecting the work attitudes of respondent-librarians along: salaries and benefits, work environment, management style and performance appraisal? 4. What are the traits of the respondent-librarians in the 21st century? 5. How do the professional and personal competencies of the respondent-librarians relate to their work attitude, factors affecting their work attitudes and traits? 6. How do the respondent-librarians see themselves in the 21st century.

The study was anchored to the theory of Azemikhah (2005) which summarizes the competency theory. The person/librarians competencies were analyzed in detailed to know the strength and weaknesses of the person/librarian with regards to the professional and personal competencies. The result will serve as their springboard on how they are going to change and the learner's level of competency and professionalism elevates to a higher level.

This process continues until the learner arrives at the point of transposition of competency and learning. "At the point of transposition, the learner is able to apply performance criteria to new problems or cases independently. The learner is now able to examine new cases, identify, and study new concepts, if any, and using his/her acquired skills is able to perform in accordance with the requirements of the unit of competency independently. At that point, the learner is deemed competent and the relationship of 'learning to competency' is transposed into 'competency to learning'

The study have enumerated all the traits of librarians in the 21st century and how do the professional and personal competencies of the respondent-librarians relate to their work attitude, factors affecting their work attitudes and their traits. Then it was evaluated in terms of how do the respondent-librarians see themselves in the 21st century. This was done through interviews in order to get their ideas, concepts, and perhaps philosophies towards the status of librarians in the present world.

Shanghi (2007) Competences refers to the range of skills which are satisfactorily performed, while competencies refer to the behavior adopted in competent performance. According to Dole, Hurych, and Liebsts's (2005) Competencies are skills and knowledge that can be learned and can be measured. If something cannot be learned it is not helpful and it cannot be measured and cannot be evaluated, likewise, not helpful to the process of training. This is similar to what was stated by (Osa,2003) competencies is also defines as "The combination of knowledge skills, and abilities which are relevant to a particular job position and which, when acquired, allow a person to perform a task or function at a high level of proficiency in improving these attributes plays a key role in defining what is competency and what is not.

"Competencies can include both personal and professional aspects – personal competencies may include skills, attitudes and values that underlie our work... professional competencies address the ways we apply our knowledge to our work" (Van Wert, 2004). According to the studies conducted by the following: Ramzan (2004), Lozaga (2012), Wanek (2006), Adekunle, Omoba and Tella.(2007) The all agree that Implementing information communication technology (ICT) in the library depends largely on librarians' attitudes toward it. This study was supported by Lozaga (2012) that, we all know the way librarians and staff do their jobs has changed greatly in the last few decades, due to the introduction of technology, into the library. This includes but not limited to computers in the library. That's why, libraries are increasingly searching for and employing librarians and staff with significant technology skill sets. PASLI (2011), the professional skills should be improved in delivering library services to the public, West (2005) our patrons/library users are not homogenous., MLA (2006) lifelong learning must be a cornerstone of every individual's professional development plan to achieve success individuals must assume greater personal responsibility for defining their on-going learning goals, increasing their competencies, and improving their professional performance. According to (CEAT, 2010) emerging technologies have made it imperative for librarians "to reinvent themselves to provide new library services to fully satisfy millennium clients and for libraries to continually evolve under their supervision." Librarians should be opened to the new challenges and sees new opportunities and should not be afraid of change in technology. The attitudes of librarians has something to do with the change or transformation of our modern technology wherein it affects somehow on the attitudes of the librarians on how to adopt these changes as mentioned by Gilmour (2003)," change happens, transformation is planned" it only mean that our competencies and attitudes should be open to the different changes to make us grow professionally to adopt changes particularly the information technology. Farkas (2006) it is an ability to easily learn new technologies. Santos (2010) mentioned that, Information literacy is the ability to recognize when information is needed, and how to locate, access, use and evaluate it (Callison, 2006). This ability is very essential nowadays due to "information explosion" where vast amount of information is becoming increasingly available across all formats for free. In addition to this, information literacy is also very important for it entails not only knowing how to use the computer but more importantly, knowing how to access information and analyze it. Choi and Rasmussen (2006) conducted a study to identify the knowledge and skills required by current practitioners in US libraries. Findings show that 35% of respondents job responsibility based on website related activities, 26% based on digital project initiatives, 21.7% related to maintain technical standards and practices and only 17.3% related to other activities. These results illustrate the importance of acquiring technological expertise to survive in this information society. In the study of Wanek (2006) showed that the employees working in a low-tech organization and who in addition had a departmental main work task of low-technical character had less positive computer attitudes than did employees working in either a high-tech organization or department, or both. The study of Tella, Ayeni and Popoola (2007) on Work Motivation, Job Satisfaction, and Organisational Commitment of Library Personnel in Academic and Research Libraries stated that, the management of people at work is an integral part of the management process. To understand the critical importance of people in the organization is to recognize that the human element and the organization are synonymous.

METHODOLOGY

The respondents of the study were the head or chief librarians of the selected private and public colleges and universities in region 4A. According to Calderon (2000), the size of the sample can be 20-30% of the total population through Random Sampling. There were 276 private colleges and universities in Region 4A , in which thirty (30%) percent or 82.8 (83) percent were taken as respondents of the study. A carefully selected sample of librarians was surveyed and a description of the population was inferred from what was found out the sample.

The instrument was checked and validated by the researcher's adviser and members of the defense panel. It was suggested that an additional items like traits of the respondent-librarians in the 21st century were added in the instrument/questionnaires as suggested by them during the validation process.

DATA GATHERING PROCEDURE

After finalizing the questionnaires, the researcher prepared a letter addressed to the different School Administrator/Chief Librarians to secure permission of conducting a survey on their respective school. The researcher also conducted interviews with the different librarians. Out of 83 respondent-librarians, only 51 had been interviewed by the researcher since the others were not available at the moment for they were attending to the library users. The statistical tools used in answering statement of the problem numbers one (1) to four (4) was Weighted Mean, while statement of the problem number five (5) used Multiple Linear Regression and statement of the problem number six (6) used unstructured interview.

RESULTS

TABLE 1: RELATIONSHIP BETWEEN PROFESSIONAL COMPETENCIES AND WORK ATTITUDES OF THE RESPONDENT-LIBRARIANS

Professional Competencies	Work Attitude		Multiple r	df	F	Sig	Interpretation
		P. Value/Interpretation					
Customer Service	Career Adaptability	0.8722 Not Significant	0.3168 Low Correlation	3	2.9369	0.03834	Significant
	Job Satisfaction	0.3922 Not Significant					
	Organizational Commitment	0.0318 Significant					
Assessment	Career Adaptability	0.0380 Significant	0.3833 Low Correlation	3	4.5343	0.0055	Significant
	Job Satisfaction	0.04010 Not Significant					
	Organizational Commitment	0.0293 Significant					
Knowledge and Information	Career Adaptability	0.2984 Not Significant	0.4473 Moderate Correlation	3	6.5863	0.00049	Significant
	Job Satisfaction	0.9788 Not Significant					
	Organizational Commitment	0.00042 Significant					
Resource Management	Career Adaptability	0.2188 Not Significant	0.2344 Low Correlation	3	1.5305	0.2131	Not Significant
	Job Satisfaction	0.8783 Not Significant					
	Organizational Commitment	0.2209 Not Significant					
Technical skills	Career Adaptability	0.0099 Significant	0.3084 Low Correlation	3	2.7681	0.0471	Significant
	Job Satisfaction	0.1927 Not Significant					
	Organizational Commitment	0.4349 Not Significant					
Advocacy	Career Adaptability	0.0359 Significant	0.3306 Low Correlation	3	3.2304	0.0268	Significant
	Job Satisfaction	0.9017 Not Significant					
	Organizational Commitment	0.3256 Not Significant					
Collaboration	Career Adaptability	0.5980 Not Significant	0.2880 Low Correlation	3	2.3815	0.0757	Not Significant
	Job Satisfaction	0.8929 Not Significant					
	Organizational Commitment	0.0314 Significant					
Administration	Career Adaptability	0.0213 Significant	0.3054 Low Correlation	3	2.7079	0.0507	Significant
	Job Satisfaction	0.0926 Not Significant					
	Organizational Commitment	0.1300 Not Significant					

*Significance at .05 level of significance

Based on the results as shown in Table 1 there was low correlation between professional competencies and work attitudes of the respondent-librarians in terms of Customer service with Multiple r 0.3868 and significant value of (0.03834), Assessment with Multiple r 0.3833 and Significant value of (0.0055), Technical skills with multiple r 0.3084 and Significant value of (0.0471), Advocacy with Multiple r 0.3306 and Significant value of (0.0268), Administration with Multiple r 0.3054 and Significant F value of (0.0507), while moderate correlation was found in Knowledge and information with Multiple r 0.4473 and Significant value of (0.00049), all the indicators were significant since the level of significant is lesser than 0.05.

2.1 RELATIONSHIP BETWEEN PROFESSIONAL COMPETENCIES AND FACTORS AFFECTING THE RESPONDENTS WORK ATTITUDES

TABLE 2: RELATIONSHIP BETWEEN PROFESSIONAL COMPETENCIES AND FACTORS AFFECTING THEIR WORK ATTITUDES

Professional Competencies	Factors Affecting their Work Attitudes		Multiplier	df	F	Sig	Interpretation
		P. Value/Interpretation					
Customer Service	Salaries ad Benefits Work Environment Management Style Performance Appraisal	0.7060 Not Significant 0.0914 Not Significant 0.7142 Not Significant 0.4935 Not Significant	0.2960 Low Correlation	4	1.8724	0.1236	Not Significant
Assessment	Salaries and Benefits Work Environment Management Style Performance Appraisal	0.5648 Not Significant 0.6125 Not Significant 0.1814 Not Significant 0.0496 Significant	0.3365 Low Correlation	4	2.4897	0.0499	Significant
Knowledge and Information	Salaries and Benefits Work Environment Management style Performance Appraisal	0.9168 Not Significant 0.0036 Significant 0.1829 Not Significant 0.6855 Not Significant	0.3630 Low Correlation	4	2.9596	0.0248	Significant
Resource Management	Salaries and Benefits Work Environment Management Style Performance Appraisal	0.9626 Not Significant 0.0155 Significant 0.5905 Not Significant 0.8999 Not Significant	0.2743 Low Correlation	4	1.5868	0.1861	Not Significant
Advocacy	Salaries and Benefits Work Environment Management Style Performance Appraisal	0.6203 Not Significant 0.0198 Significant 0.9868 Not Significant 0.3784 Not Significant	0.3558 Low Correlation	4	2.8262	0.0303	Significant
Collaboration	Salaries and Benefits Work Environment Management Style Performance Appraisal	0.7893 Not Significant 0.0147 Significant 0.8818 Not Significant 0.0396 Significant	0.4229 Moderate Correlation	4	4.2461	0.0037	Significant
Administration	Salaries and Benefits Work Environment Management Style Performance Appraisal	0.5598 Not Significant 0.5300 Not Significant 0.8198 Not significant 0.0309 Significant	0.3204 Low Correlation	4	2.2313	0.0732	Not Significant

*Significance at .05 level of significance

Based on the results as shown in Table 2 there was significant relationship between professional competencies and factors affecting their work attitudes in terms of Assessment with Multiple r 0.3365 Low correlation and Significant F value (0.0499), Knowledge and Information with Multiple r 0.3630 Low correlation and Significant F value (0.0248), Advocacy with Multiple r 0.3558 Low correlation and Significant F value (0.0303), However, Collaboration with Multiple r 0.4229 has Moderate correlation and Significant F value (0.0037) and also significant.

2.2. RELATIONSHIP BETWEEN PROFESSIONAL COMPETENCIES AND TRAITS OF THE RESPONDENT-LIBRARIANS

TABLE 3: RELATIONSHIP BETWEEN PROFESSIONAL COMPETENCIES AND TRAITS OF THE RESPONDENT- LIBRARIANS

	Traits	P. Value/Interpretation	Multiplier	df	F	Sig	Interpretation
Professional Competencies	Customer Service	0.0169 Significant	0.5528 Moderate Correlation	3	4.7146	0.0002	Significant
	Assessment	0.0258 Significant					
	Knowledge and Information	0.7906 Not Significant					
	Resource Management	0.2922 Not Significant					
	Technical Skills	0.8391 Not Significant					
	Advocacy	0.9896 Not Significant					
	Collaboration	0.4898 Not Significant					
	Administration	0.0000 Significant					

*Significance at .05 level of significance

As shown professional competencies and traits of librarians there was a significant relationship along Customer service (0.0168), Assessment (0.0258) and Administration (0.0000) since the p-values are less than level of significance of 0.05. The results also show that as a whole a moderate correlation existed as revealed by a multiple r-value of 0.5528 and Significant value of 0.0002 which is less than 0.05 significance level.

2.3 RELATIONSHIP BETWEEN PERSONAL COMPETENCIES AND WORK ATTITUDES

TABLE 4: RELATIONSHIP BETWEEN PERSONAL COMPETENCIES AND WORK ATTITUDES OF THE RESPONDENT- LIBRARIANS

Personal Competencies	Traits	P. Value/Interpretation	Multiple r	df	F	Sig	Interpretation
Career Adaptability	Education	0.5567 Not Significant	0.3910 Low Correlation	7	1.9331	0.0760	Not Significant
	Service Commitment	0.1474 Not Significant					
	Flexibility	0.8376 Not Significant					
	Leadership	0.8991 Not Significant					
	Ethics	0.9259 Not Significant					
	Communication	0.3624 Not Significant					
	Self-motivation	0.2943 Not significant					
Job Satisfaction	Education	0.6365 Not Significant	0.4126 Moderate Correlation	7	2.1979	0.0437	Significant
	Service Commitment	0.6015 Not Significant					
	Flexibility	0.0005 Significant					
	Leadership	0.1997 Not Significant					
	Ethics	0.5637 Not Significant					
	Communication	0.4716 Not Significant					
	Self-motivation	0.7571 Not Significant					
Organizational Commitment	Education	0.3749 Not Significant	0.5368 Moderate Correlation	7	4.3368	0.0004	Significant
	Service Commitment	0.0290 Significant					
	Flexibility	0.5106 Not significant					
	Leadership	0.5769 Not Significant					
	Ethics	0.3499 Not significant					
	Communication	0.0025 Significant					
	Self-motivation	0.1220 Not Significant					

*Significance at .05 level of significance

Based on the findings there was a moderate correlation on personal competencies and work attitudes in terms of Job satisfaction with Multiple r 0.4126 and Significant value 0.0437, Organizational commitment with Multiple r 0.5368 and Significant value of 0.0004 the two indicators were related and significant.

2.4 RELATIONSHIP BETWEEN PERSONAL COMPETENCIES AND THE FACTORS AFFECTING WORK ATTITUDES

TABLE 5: RELATIONSHIP BETWEEN PERSONAL COMPETENCIES AND FACTORS AFFECTING WORK ATTITUDES OF THE RESPONDENT- LIBRARIANS

Personal Competencies	Factors Affecting Work Attitudes		Multiple r	df	F	Sig	Interpretation
		P. Value/Interpretation					
Salaries and Benefits	Education	0.00069 Significant	0.3995 Moderate Correlation	7	2.0347	0.0616	Not Significant
	Service Commitment	0.9944 Not Significant					
	Flexibility	0.9387 Not Significant					
	Leadership	0.9609 Not Significant					
	Ethics	0.4683 Not Significant					
	Communication	0.1239 Not Significant					
	Self-motivation	0.8568 Not Significant					
Work Environment	Education	0.0304 Significant	0.5082 Moderate Correlation	7	3.7318	0.0016	Significant
	Service Commitment	0.0486 Significant					
	Flexibility	0.6620 Not Significant					
	Leadership	0.6430 Not Significant					
	Ethics	0.4495 Not Significant					
	Communication	0.0455 Significant					
	Self-motivation	0.4074 Not significant					
Management Style	Education	0.6404 Not Significant	0.3609 Low Correlation	7	1.6048	0.1471	Not Significant
	Service Commitment	0.5493 Not Significant					
	Flexibility	0.0079 Significant					
	Leadership	0.3729 Not Significant					
	Ethics	0.4632 Not significant					
	Communication	0.2774 Not significant					
	Self-motivation	0.8570 Not Significant					
Performance Appraisal	Education	0.8222 Not Significant	0.4558 Moderate Correlation	7	2.8099	0.0118	Significant
	Service Commitment	0.0145 Significant					
	Flexibility	0.4890 Not Significant					
	Leadership	0.4689 Not Significant					
	Ethics	0.8179 Not significant					
	Communication	0.0118 Significant					
	Self-motivation	0.9148 Not Significant					

*Significance at .05 level of significance

Based on the results there was a moderate correlation between personal competencies and factors affecting work attitudes in terms of work environment as revealed by Multiple r value of 0.5082 and significant value of 0.0016 . Performance appraisal with Multiple r 0.4558 and significant value of 0.0118. both indicators were related and significant.

2.5 RELATIONSHIP BETWEEN PERSONAL COMPETENCIES AND TRAITS OF LIBRARIANS

TABLE 6: RELATIONSHIP BETWEEN PROFESSIONAL COMPETENCIES AND TRAITS OF THE RESPONDENT- LIBRARIANS

	Traits		Multiple r	df	F	Sig	Interpretation
		P. Value/Interpretation					
Personal Competencies	Education	0.3974 Not Significant	0.5813 Moderate Correlation	7	5.4679	0.00004	Significant
	Service Commitment	0.9781 Not Significant		75			
	Flexibility	0.9197 Not Significant		82			
	Leadership	0.2168 Not Significant					
	Ethics	0.6586 Not Significant					
	Communication	0.0262 Significant					
	Self-motivation	0.0075 Significant					

Based on the findings there was a significant relationship and moderate correlation between professional competencies and traits of librarians as revealed by a multiple r value of 0.5813 and Significant value of 0.00004 which was less at 0.05 significance level.

The respondent-librarians in the 21st century.

Based on the interview, with the respondent-librarians majority of them answered that , librarians should be expert in using computer to adopt the constant change in the information technology. The others had varied answers like, they should be smart, active in the participation and membership to professional organization.

DISCUSSION

The Relationship between Professional Competencies and Work Attitudes of the Respondent-librarian. There was significant relationship between professional competencies and work attitudes of the respondent-librarians in terms of customer service, assessment, knowledge and information, technical skills, advocacy and administration and their work attitudes. The higher their professional competencies, the more positive their work attitude towards work.

Relationship between Professional Competencies and Factors affecting the Respondents Work Attitudes Based on the results there was a significant relationship between professional competencies and factors affecting their work attitudes in terms of assessment, knowledge and information, and advocacy were all low correlation and significant, while collaboration was also significant but with moderate correlation. The results mean that having better assessment service may lead to factors affecting their work attitudes especially performance appraisal. it can be generalized that a competent librarian equipped with enough knowledge and information regarding their profession may affect his/her work environment, with regard to advocacy, Librarians can render work professionally at any point in time and at any working environment and collaboration among the librarians is important in having positive work attitude.

Relationship between Professional Competencies and Traits of the Respondent-Librarians. Based on the results the professional competencies and traits of librarians along customer service, assessment and administration were related. It implies that, the librarians emphasized that customer service, assessment and administration are strong predictors of traits of the librarians.

Relationship between Personal Competencies and Work Attitudes. of the Respondent Librarians. Based on the results the personal competencies and work attitudes of the respondent-librarians in terms job satisfaction and organizational commitment were moderately correlated and found to be significant , whether a librarian is satisfied or not in his or her job does not necessarily mean that he or she is personally competent. Commitment to their work as librarian attributes to their work performance. This implies that having better personal competencies may not lead to positive work attitudes.

Relationship between Personal Competencies and the Factors affecting Work Attitudes. Based on the results there was moderate correlation between personal competencies and factors affecting work attitudes in term of work environment and performance appraisal have moderate correlation and was found significant. . The librarians' positive attitude in their working environment depends on their educational attainment, service commitment, and communication skills. Librarians who are committed to their job, have appropriate educational attainment and communicatively competent show positive work attitude. A positive work environment improves on employee attitude.

Relationship between Personal Competencies and Traits of Librarians. Based on the findings there was a moderate correlation between professional competencies and traits of librarians, the results in communication and self- motivation showed significant relationship. The results imply that librarians who are good in communication, can express themselves well, and are self- motivated and have positive attitude.

The respondent-librarians in the 21st century. Based on the interview majority of the respondent-librarians gave their ideas of the librarians in the 21st century, they should be an expert in using computer to adopt the constant change in the information technology. Librarians should be professionally and personally smart and active so they can be updated in the latest trends and issues in librarianship.

CONCLUSION

Based on the aforementioned summary of findings, the following conclusions are drawn:

The librarians' ethics and service commitment always determine the librarians' personal competency. The librarians perceived that the indicators sometimes affect their professional competencies. Professionalism played a vital role in the librarians work environment. They can perform their work well and can easily get along with other colleague in the work place as well as to their superiors. Whatever the management style of their superior will not matter for they are flexible enough to get along with.

The librarian's priority is to give service to customers, as they have shows approachability that will creates an environment of mutual respect and trust and can develop modern characteristic, and they are committed to life-long learning for their professional growth and development. The professional competencies has moderate correlation to traits of the librarians. Most of the librarians are particular with the present status, what they only aim at the present is to be a licensed professional librarians, and aside from that their traits in pursuing their career to the higher level sometimes was not their top most priority. Librarians should be updated in the use of modern technology and other library software to cope up with the recent development in information technology through the support of the administration.

FUTURE DIRECTIONS

Librarians should be given more motivation to uplift their self esteem. This can be done through sending them to seminars, forum and conferences to enhance their knowledge and expertise with the work as well as to develop self confidence and professional growth and development. Personality development should be given also priority in the curriculum to upgrade the professional and personal competencies of the librarians. Encouragement on the part of the superior to let them pursue Masteral Degree aside from being contented of being a licensed librarian. Significant effort is required to increase awareness of new technology

and transferable skills in communication, management, leadership, training, and teamwork among librarians. They should also be given an ample opportunities to grow professionally by attending seminars, conferences and forums to enhance their competencies and provide constant updates on the new trends on their profession. More emphasis should be placed on improving librarians attitudes towards technology. Library schools should exert more effort in developing the students professional and personal competencies in teaching to produce competent professional librarians with well-rounded personality, good work attitudes and traits. Future researchers may conduct study similar to this one considering other variables not mentioned in the study.

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HOW NIGERIAN ENTREPRENEURS PERCEIVE THEIR EXTERNAL ENVIRONMENTAL CHARACTERISTICS

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ABSTRACT

The perception of Nigerian business environment by both foreign and domestic investors is far worse than it is in reality. It is presumed that issues about Nigeria are usually exaggerated by foreigners. Despite the current infrastructure challenges facing Nigeria, still remains the most attractive place for both local and foreign investors. The external environment as viewed in this paper is in terms of three broad characterization Complexity, Hostility and Dynamism. The study sought to establish the degree of heterogeneity or homogeneity in the ways entrepreneurs in the Bakery Industry of Ogun State, Nigeria perceive their external organizational environments. The hypothesis is that "There are significant differences in the perception of the external environmental characteristics by entrepreneurs in the Bakery Industry of Ogun State, Nigeria" The analysis shows that there are no significant differences among the entrepreneurs in the Bakery Industry in Ogun State, Nigeria in the manner they perceive their external environmental characteristics. The ANOVA test confirms that the differences are not significant. The result of the study confirm that the entrepreneurs under-studied perceive their external environmental characteristics as being Dynamic, Complex and hostile. Management would have problems to cope with a good number of heterogeneous and diversified environmental factors. There is therefore the urgent need to improve the business environment in order to maximize the hugely untapped opportunities that exist across the country. Existence of critical impediments impedes development, productivity, efficiency and competitiveness of enterprises. For reaching investment climate reforms are not only necessary but imperative now.

KEYWORDS

External-Environmental-Characteristics; Perception; Entrepreneurs; dynamism; Complexity; Hostility; Competitiveness.

INTRODUCTION

The critical responsibility of entrepreneurs as the chief executives of their enterprises in achieving their organizational goals has been acknowledged in several studies. (Levitt 1969); These researches see executives as highly influential on the premium enterprises ascribe to the exchange relationships that exist amongst their numerous publics.

Earlier researchers had viewed organizations from a system's perspective. A system being a set of interrelated parts arranged in a manner that produces a unified whole organization can be visualized as open systems. (Robin and Coultes, 1998). Consequently, Bartalanff in his development of the systems theory appreciated the relevance of "openness" in studying and understanding organizations. Subsequent studies (Boulding, 1965; Luthans 1973; Kast and Roosenzweig 1974, Ashmos and Huber 1987) emphasized the open systems approach to the understanding of organizations. It can therefore be asserted that how well a firm does, can depend on its symbiotic relationship with other organizations which offer relevant advantageous exchanges.

Terryberry (1967) to corroborate this proposition asserts that a change in the transactional position of one system in an environment be it positively or negatively will certainly affect the transactional position of all members of the set, and in the opposite direction. If a firm loses some market share in one segment of its market, the transactional operations of the lucky firms that gained the lost market share would certainly be affected.

Some other researchers have provided a different but relevant conceptual framework, which stressed the interdependence of firms within its environments and its management implications. According to Thompson and McEwen (1958) managements goal setting is essentially a problem of defining desired relationships between a firm and its environment and change in either the firm or the environment will certainly call for a review and possibly the goals would never be the same as originally set.

It is therefore pertinent to assert that since organizations dwell in dynamic environments, the environmental forces determine, to a large extent, whether to be or otherwise of any firm. Terryberry, (1967) therefore suggests, that the survival of externally induced changes in a firm's transactional independence depends on its adaptability.

The theory of natural selection further confirms that the selective advantage of one intra or inter-organizational combination over another is incomplete without a comprehensive understanding of the dynamics of the business environment.

It is a common knowledge that organizational survival depends largely on the blend between controllable and uncontrollable environmental variables (Hatten, Schendel and Cooper 1978; Leng 1980, Hambrick 1983). This paper therefore sets out to investigate the characteristics of the environment as perceived by the entrepreneurs in the same industry in Ogun State, Nigeria.

THEORETICAL FRAMEWORK

Experts have always advised Captains of the industry to adapt to their environments for them to remain successful. Ability to adapt to the environment boils down to coping with environmental uncertainty. The environment in which organizations exist and operate are themselves changes at an alarming rate and toward increasing complexity (Emery and Trist 1963). Nigerian business environment is no exception. The business environment in Nigeria today can hardly be exceeded in complexity, rapidity of change and the impact unleashed at business firms can better be imagined than experienced. (Peter 2004)

Researchers have investigated the relationships among environmental variables and their characteristics, strategies and organizational performance, Porter (1981) viewed environment as the primary determinant of performance while others Henderson and Mitchell (1997). George and Zahra (1999) Walton and Davison (2001) Warren, Moore and Cardona (2002) focused on the interrelatedness among environment, strategy and performance. One can therefore hypothesize that a firm's perception of its business environment determines the kind of strategies its leadership formulates to operate within it, which in turn determines the performance.

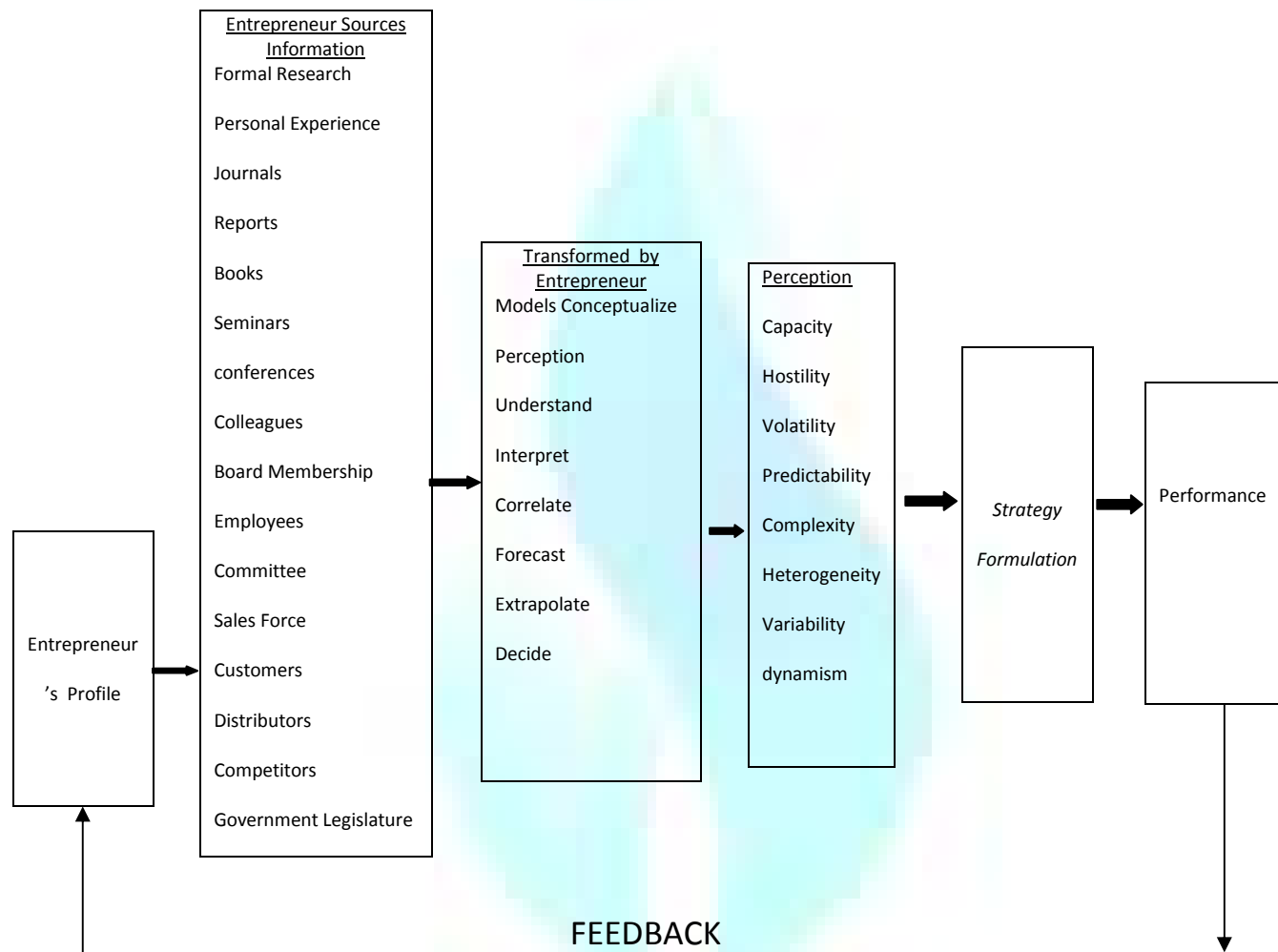
An organization apparently monitors its environment, integrates the perceptions of the environment into its corporate decision making to formulate strategies that will determine how it copes with the environmental changes. Thus many conceptual and operational models of strategic marketing begin with internal and external analysis. The purpose of environmental analysis therefore is to provide a record of where the firm has been, and where it is now in order to identify major threats and opportunities (Achumba 2008).

Another output of the environmental analysis is the identification of the strategic questions regarding the areas of uncertainty or risk or environmental factors that could affect the strategy. However, the depth of analysis and amount of information needed will be determined by the urgency and importance of the area (Achumba 2008).

It is therefore imperative that environmental opportunities and threats should be adequately assessed and appreciated for their possible impact on the firm. As Thompson (1993) had put it “Organizational resources must be sourced and managed in such a way that matches the “texture” of its environment”. The theoretical framework of this study is illustrated in the entrepreneurial environment- perception paradigm in figure 1.

ENTREPRENEURIAL EXTERNAL ENVIRONMENTAL PERCEPTION

FIGURE 1



Adapted from Certo and Peter 2004 P.51

This paradigm portrays entrepreneurs as decision makers, using the information obtained from several different sources as formal research, personal experience, conferences and seminars etc. to perceive, conceptualize, understand, correlate, extrapolate and predict the environments of their firms and then take actions that would sustain or position the firm for superior performance.

Achumba (2008) opines that managements responses to the volatile environment is however guided by management’s vision of the future character of the company. Strategic responses to environmental conditions or organizational adaptations according to Chattopadhyad and Glick (2001) are strongly influenced by the interpretations executives make of the environmental changes which play significant parts in the future actions.

Studies (Song and Calatone 2002) assert that executives use “mental models” to simplify and understand the competitive environment within which they operate. Hill and Lavenlagen (1995) say that in order to sense the dynamic and complex environments surrounding them, executives tend to form simplified internal cognitive representation. Such representations can only occur as the results of interacting with and “experiencing” the environment.

The problem addressed by this research therefore, is to establish whether Nigerian entrepreneurs in the same industry perceive their external environment to be the same.

It is hoped that the efficiency of Nigerian entrepreneurs may improve if they are able to properly perceive the changes and the characteristics of their environments to be able to take appropriate measures that suit their interpretations of the environment as perceived.

RELEVANT LITERATURE AND HYPOTHESIS DEVELOPMENT

Organization theories insist that for organizations to increase and maintain their effectiveness, they must adapt to their environments. Viewing organizations as open systems, they should develop monitoring and feedback mechanisms which will facilitate the identification and follow up their environments, recognize the changes and effect appropriate adjustments.

Existing literature is replete with varied definition of environment. Achumba(2008) defined business environment as a composite of many environments. Ijewere and Bamgboye (1999) opined that business environment is a web of forces which form the setting in which a firm makes its decisions.

Thus for the supply of all required inputs and absorption of outputs, every organization depends on its inputs. A more apt definition is that of Preble (1978) which defines the environment as the totality of forces(both external and internal) to the organization that may potentially influence or impact on the organization. Dobb et al (1991) further defined the environment as all the external forces that directly or indirectly influence on organization’s acquisition of inputs and generation of outputs.

It is therefore imperative for proactive managers to formalize processes for environment analysis as a procedure of monitoring the organizational environment to identify both presence and future threats and opportunities that may influence a firm's ability to reach its goals. (Peter and Certo 2001). The theorem of environmental analysis therefore demands that management should be able to assess the environment of their firms, to be able to respond to it appropriately thus enhancing the organization's efficiency.

Achumba (2008) Daft, Sormunen and Parks (1988) demonstrated that environmental analysis facilitates:

- (i) Response to critical issues in the environment
- (ii) Exploring the future conditions or trend of the environment and incorporating what they learn into their organizational decision making; and
- (iii) Identifying current emerging issues that are significant to the company, assigning priorities to these issues and developing plans for handling them.

In the same vein, Glueck (1980) observed that managers scout the environment to be able to:

- (i) Determine what factors in the environment present threats to the organizations goals accomplishments and strategy; and
- (ii) Determine what factors in the environment present opportunity for greater accomplishments of objective through adjustments and adaptations.

ENVIRONMENTAL ANALYSIS - OTHER PERSPECTIVES

One issue that has commonly linked all types and sizes of organizations this day, is the rapid pace of environmental changes and concomitant environmental uncertainty of unprecedented degree. This rapidity of environmental changes and the accompanied uncertainty have manifested themselves in various ways producing least comprehensible climate for managers. (Achumba 2006 p.29, Wilson and Gilligan 2001).

Experts, Kotler(1974), Lyan J.W(1974) had argued that " periods of shortage are an opportunity to the enterprising firm" Other experts have observed that as a Company's external environment changes, opportunities and threats emerge and disappear or to re-emerge in a totally modified pattern at a later stage.

Sometimes the changes are so sporadic that executives who have been used to operating in largely predictable environments, all of a sudden are wallowing in a complex, uncertain and hostile environment. Various writers have variously described the environmental turbulence. Drucker, (1969) referred to it as the " age of discontinuity", "the third wave of future shocks"(Toffler,1970); "the social effects of entropy" (Rifkin 1981); "megatrends" (Naisbitt, 1982); "the ultimate constraints on a firms strategy"(Baker,1989) " the empty rain coat,"(Hardy, 1984) and "crazy days"(Peters, 1998) argued that decision makers are increasingly facing crazy days with call for responses that fall outside the conventional, well understood, and well-rehearsed patterns of managerial behavior, if a firm is to survive, not to talk about prosper, much more radical and truly innovative strategies than ever before should be adopted. This is because according to him crazy days demand crazy actions. Brown (1995) and Nilson (1995) sharing the same view postulated for more innovative responses to changing situations strategic thinking becomes more apt as decision makers have to match the capabilities of their firms with the demands of their environments.

According to Tan and Litschett (1994) three prominent perspectives on organizational environments emerge.

(a) The information uncertainty perspective suggests that the environment generates the information. Researches based on this perspective emphasize subjectively perceived environmental uncertainty contrary to objective data generated through verifiable organization theories and literature which seek to explain the nature of the relationship between organizations and their environments (Duncan 1972; Thompson, 1967). Thompson (1967) rather argued that uncertainty is the fundamental challenge, which decision makers must cope with.

(b) Resource Dependence Perspective postulates that the environment is the source of scarce resources, which are sought after by competing organizations (Mord and Simion 1958, Pfeffer and Salanick 1978).

It further explained that as the environment becomes more hostile, firms experience greater uncertainty. How much management can cope with these conditions either by reducing their firms dependence on, or increase their control over these resources will determine the organizational effectiveness.

(c) The Ecological Perspective relied mainly on biology's concept of survival of the fittest. It is argued that based upon the fit between the structural characteristics of the firms and the characteristics of their environments, certain types of organizations are selected by the environment to survive and other to perish (Hannan and Freeman,1977). The environment therefore naturally selects "in" some organizations and selects "out" others. It is therefore evident that the survival and or success of an organization is primarily determined by how well the environment supports an organization since the carrying capacity of the environment is limited, the environment becomes a competitive arena where some organizations will succeed and others are bound to fail. The capacity and stability of the organization's environment are equally relevant. Rich environments support more organizations to survive while stable environments tend to retain larger organizations with high market shares.

Characteristic of the Environment Intensive empirical studies on business environmental characteristics have been scanty. According to Tung (1979) a major constraint has been conceptualization or operationalization of organizational environments. It is suggested that for effective operationalization and measurement; it is important to distinguish between the composition or elements of the environment and its characteristics as well.

Complexity change vale and routiveness of problem/opportunity states have been identified as three dimensions or characteristics of the environment. (Tung 1979). Dees and Board (1984) also suggested capacity, volatility and complexity as three key dimensions to organizational environments. Tan and Litschert (1994) operationalized the environment as comprising three characteristics being dynamism, complexity and hostility. Giligan and Wilson have also posited that levels of environmental uncertainty are directly attributable to the extent to which environmental conditions are dynamic or complex. Consequently, they posited that our organizations environmental position can be measured or accessed in terms of:

Simplicity
Routiveness
Interconnectivity
Proximity
Dynamism
Predictability
Input receptivity
Output receptivity

Domain choice flexibility or the converse. The capacity or hostility of an environment according to Robins is the extent which the environment can support growth. Thus rich and growing environment generate abundant resources which buffers the organization in times of economic scarcity. Thus organization can afford to make mistakes without having to pay dearly for them in abundantly endowed environments.

Environmental complexity refers to the extent of heterogeneity and concentration among elements of the environment. It is the number and heterogeneity or diversity of environmental factors an organization has to contend with in its decision making that makes or meres it.

This is because as heterogeneity or diversity of environmental factors increases, the limit of managements cognitive ability to grasp and comprehend the inter connectedness among the elements also increases and the amount of uncertainty perceived in the environment increase (Thompson, 1967).

Change rate dimension of the environments refers to the frequency and magnitude of turbulence that prevail among environmental factors. When the environment is in a constant state of flux, management according to Downey and Slocum, 1975, finds it rather difficult to; and at times impossible to keep themselves up-to-date on all the changes and their implications for operations. The amount of uncertainty perceived in the environment would increase it is observed.

The Volatility aspect of the environment refers to the degree of instability in the environment. When an environment is volatile, it is dynamic and a high degree of unpredictable changes occur.

This makes it difficult for entrepreneurs to predict accurately, the probabilities associated with various decision alternatives (Robbins 1991).

The routiveness of problems/opportunity dimension of the environment refers to the degree of variability and analyzability of the factors of the environment. Where variability is low and factors are fairly analyzable, decisions can be repetitive: in situations where similar events have occurred before. Consequently, the cognitive load of the decision maker and the perceived uncertainty will also be reduced drastically.

It is obvious, that the degree of uncertainty perceived by executives is a formation of the characteristics of the environment. The characteristics or dimensions of the environment are what affect top management perception of uncertainty, which in turn affect their propensity for risk taking proactiveness and defensiveness (Miller and Froison, 1982).

The degree of fit between environmental characteristics and strategic orientation is what may lead to better organizational performance. (Venkatrannan and Presscon 1990)

HYPOTHESIS

Nigerian entrepreneurs in the same industry do not perceive their external environmental characteristics to be the same.

RESEARCH METHODOLOGY

Studies have established that organizational effectiveness within a given environment depends to a large extent on its ability in adopting strategies that are congruent with the specific environmental requirements.(Porter 1980, and Achumba 2008).

Consequently, it is expected that firms that observe such compatible resource deployments are more likely to excel better than those that do not.

Nigerian entrepreneurs, particularly those in the bakery industry operate in environments where the complexity and rapidity of changes are better imagined than experienced. It is rather a matter of the survival of the fittest as described in Darwin's(1859) theory.

With this overview, this research is an attempt to empirically examine how the entrepreneurs (bakers in Ogun State) perceive the environment where they operate.

The linkages between the perceived environmental characteristics, the strategic orientations and the performance implications will constitute a separate study.

SAMPLING

The population of this study comprised the chief executives or entrepreneurs of bakeries in Ogun State of Nigeria who invariably determine the fate of their companies.

The sampling frame comprised chief executives of bakeries in Ogun State. Since it would not be possible to reach all of them, in this exploratory study, a convenient judgmental sampling technique was employed to select the participants in the study from the major cities of – Abeokuta, Otta, Sagamu and Ijebu Ode. Each participant was selected independently of every other one. Data was collected from a sample of 60 sixty bakeries located in the cities o Ogun State.

The bakery sector of the economy is considered a suitable setting because being a part of the manufacturing sector, the industries and companies in the sector have been observed to be most vulnerable to the environmental changes since the inception of the structural adjustment programme.

SAMPLE CHARACTERISTICS

The Organizations that were chosen in the sample represented great variations in turn over, locations, years of operation, organization size, but within the same industry in Ogun State. The respondents were the members of top management ranging from the Chief executive, Proprietor, Managing Director, Entrepreneur to owner or whatever name he/she may go by. The respondent organizations were selected from the three Senatorial zones in Ogun State.

DATA COLLECTION

To enhance the uniformity of response and to reduce the high degree of variations in perception when examining such a complex construct as environment, the questionnaire method of data collection was used. Respondents were expected to respond to questions in a self administered, structured questionnaire.

The questionnaire consisted of six questions which measured how entrepreneurs in the bakery industry in Ogun State perceived their external environment. Each question examined the following pertinent external environmental factors:

1. Technological
2. Political/ Legal
3. Economic
4. Socio- Cultural
5. Competition
6. Customers- Consumers
7. Suppliers and
8. International

The characteristics of external environmental forces were measured as to how the entrepreneurs perceived them.

(a) The extent to which each factor had become more favourable (or Unfavourable) to the entrepreneur.

(b) The extent of predictability.

(c) The extent of changes observed in each factor.

(d) The complexity of each factor.

(e) The level of heterogeneity or homogeneity perceived in each factor.

On a seven point Likert scale, which ranges thus: 1 = very little, 4= middle and 7= very much, respondents were expected to indicate their perception of each factor

The instrument was physically and directly delivered to the respondent by hand. The executor, before administering the questionnaire had to acquaint the respondent with the subject of the study to establish the suitability of the respondent for the study. Where an incongruence was experienced, the exercise would be terminated.

The questionnaire was collected immediately where possible; else an understanding would be reached on the process of retrieving the questionnaire when completed. Amongst 60 questionnaires administered 40 were found useful for data analysis which represented a 66.67% response rate, thus Ijebu-Ode 10, Otta 9 and Abeokuta 12, Sagamu 9

ANALYSIS OF DATA

OPERATIONALIZATION AND MEASUREMENT OF EXTERNAL ENVIRONMENTAL CHARACTERISTICS

In this study, the external environment is conceptualized as comprising these components:

- Technological
- Political/Legal
- Economics
- Socio- Cultural
- Competition
- Customers
- Suppliers
- International

The characteristics of these external factors were therefore appraised under the following (3) three dimensions.

(1). Hostility/Capacity: This determines the extent to which the entrepreneur Perceive each of these external environmental factors as being more favourable or unfavourably to their activities.

(2). Volatility/ Predictability: The extent to which the entrepreneurs perceive each of these external environmental factors as volatile or characterized by unprecedented degree of unpredictable changes.

(3). Complexity/homogeneity: This is the extent to which the entrepreneurs perceive each of the external environmental factors as comprising a varied large or few identical number of factors that they have to contain with within their operations. Table 2-5 show the summary of the analysis of how the entrepreneurs perceive the external environmental forces in their business operations.

MEASURES

We operationalized the majority of the constructs with scale items that we derived from the literature. All constructs were found to be reliable. We asked the respondents to indicate the extent of their agreement or disagreement with all the items on a seven-point Likert scale that ranged from "Very little" to very much. To ensure the consistency, we examined all measures in the study for reliability and validity.

Reliability coefficients ranged between .70 and .92 for all the constructs measured, reflecting acceptable levels of variability.

DISCUSSION

Available empirical evidence tends to support the assumption of substantial relationship between a firms strategic orientation and its external environmental factors.

The external environment as viewed in this paper is in terms of three broad characteristics; Complexity, Hostility and Dynamism or rate of change. These characteristics of the external environment consequently affect the entrepreneurs perception of the external environment instability which affect every other strategic decision and operation.

This research sought to establish the degree of heterogeneity or homogeneity in the ways entrepreneurs in the Bakery industry perceive their external organizational environments.

The hypothesis is that there are significant differences in the perception of the external environments by Nigerian entrepreneurs in the Bakery industry of Ogun State.

Tables 2-5 show the mean scores of how entrepreneur of the Bakery industry in Ogun State perceive the external environmental characteristics of their business.

TABLE 2: MEAN SCORES OF EXTERNAL ENVIRONMENTAL CHARACTERISTICS AS PERCEIVED BY BAKERS IN IJEBUODE

Ijebuode Respondents Companies	ENVIRONMENTAL CHARACTERISTICS			- X
	DYNAMISM	CAPACITY	COMPLEXITY	
A ₁	4.3	4.3	4.5	4.3
A ₂	4.2	4.5	4.6	4.4
A ₃	4.0	4.2	4.3	4.3
A ₄	4.0	4.2	4.6	4.3
A ₅	2.6	3.2	2.1	2.6
A ₆	3.6	4.8	3.2	3.8
A ₇	4.6	4.8	4.8	4.7
A ₈	4.7	4.6	4.5	4.4
A ₉	4.5	4.4	4.3	4.4
A ₁₀	4.5	4.1	4.2	4.3
- X	4.0	4.3	4.1	4.1

*All factors measured on 7-points semantic differential scale

TABLE 3: MEAN SCORES OF EXTERNAL ENVIRONMENTAL CHARACTERISTICS AS PERCEIVED BY BAKERS IN SAGAMU

Sagamu Respondents Companies	ENVIRONMENTAL CHARACTERISTICS			- X
	DYNAMISM	CAPACITY	COMPLEXITY	
B ₁	4.7	4.9	5.4	5.0
B ₂	2.6	3.2	2.1	2.6
B ₃	4.9	5.1	4.8	4.9
B ₄	4.4	4.3	3.9	4.2
B ₅	4.5	4.7	4.4	4.5
B ₆	4.4	4.2	5.1	4.6
B ₇	4.6	4.5	4.2	4.4
B ₈	4.4	4.2	4.0	4.2
B ₉	4.0	4.1	3.9	4.0
- X	4.3	4.4	4.2	4.3

*All factors measured on 7-points semantic differential scale

TABLE 4: MEAN SCORES OF EXTERNAL ENVIRONMENTAL CHARACTERISTICS AS PERCEIVED BY ABEOKUTA BAKERS

Abeokuta Respondents Companies	ENVIRONMENTAL CHARACTERISTICS			- X
	DYNAMISM	CAPACITY	COMPLEXITY	
C ₁	4.9	5.0	4.7	4.9
C ₂	4.6	5.2	4.9	4.9
C ₃	4.7	4.9	5.4	5.0
C ₄	3.5	4.5	4.4	4.1
C ₅	4.4	4.0	4.3	4.2
C ₆	3.8	3.6	3.6	3.6
C ₇	4.7	4.6	4.8	4.7
C ₈	4.9	3.5	4.5	4.3
C ₉	4.8	4.5	4.9	4.7
C ₁₀	3.7	3.7	4.1	3.8
C ₁₁	4.9	5.4	4.9	5.1
C ₁₂	4.8	4.6	4.7	4.5
- X	4.6	4.9	4.2	4.9

*All factors measured on 7-points semantic differential scale

TABLE 5: MEAN SCORES OF EXTERNAL ENVIRONMENTAL CHARACTERISTICS AS PERCEIVED BY OTTA BAKERS

Otta Respondents Companies	ENVIRONMENTAL CHARACTERISTICS			— X
	DYNAMISM	CAPACITY	COMPLEXITY	
D ₁	4.7	4.9	5.4	5.0
D ₂	2.6	3.2	2.1	2.6
D ₃	4.9	5.1	4.8	4.9
D ₄	4.4	4.3	3.9	4.2
D ₅	4.5	4.7	4.4	4.5
D ₆	4.4	4.2	5.1	4.6
D ₇	4.5	4.8	5.5	4.9
D ₈	4.6	4.5	5.2	4.7
D ₉	4.3	4.4	5.1	4.5
— X	4.3	4.5	4.6	4.4

*All factors measured on 7-points semantic differential scale

TABLE 6: RESULT OF ANOVA ON PERCEPTION OF EXTERNAL ENVIRONMENTAL CHARACTERISTICS BY ALL ENTREPRENEURS IN THE TREE SENATORIAL ZONES

		Sum of Squares	Df	Mean Square	F	Sig
Abeokuta	Between Groups	0.914	3	.305	.777	.520
	Within Groups	8.236	21	.392		
	Total	9.130	24			
Sagamu	Between Groups	1.410	3	.470	1.075	.381
	Within Groups	9.180	21	.437		
	Total	10.590	24			
Ijebuode	Between Groups	1.372	3	.457	.687	.570
	Within Groups	13.988	21	.666		
	Total	15.360	24			
Otta	Between Groups	1.202	3	.401	.827	.
	Within Groups	10.172	21	.484		
	Total	11.374	24			

Table 6 shows the ANOVA test result on the degree of homogeneity and heterogeneity in the entrepreneur perceptive of their external environments. The mean scores of the external environmental characteristics vary though not significantly among the entrepreneurs. The ANOVA test shows that the differences are not significant. Succinctly put, there are no significant differences among the entrepreneurs in the Bakery Industry in Ogun State of Nigeria in the manner they perceive their external environmental characteristics. It will be a hasty decision to conclude that the lack of significant differences here amounts to a high degree of homogeneity in the perception of and reaction to the external environmental characteristics by Nigerian entrepreneurs.

CONCLUSION AND MANAGEMENT IMPLICATIONS

From the results of the data generated in this study, it is evident that the external environment of the Bakery Industry in Ogun State is dynamic, complex and hostile.

Being hostile, it means it does not have the capacity to support growth while rich and growing environments generate abundant resources which buffet organizations. Organizations in this type of environment cannot afford to make mistakes. It would be very expensive to do so.

As a complex external environment, the entrepreneurs will have to cope with quite a good number of heterogeneous and diversified environmental factors. As the heterogeneity or diversity of the environmental factors increases, it becomes more difficult for entrepreneurs to grasp and comprehend the interconnectedness among the elements, thus increasing the perception of uncertainty in the environment.

When the environmental factors are in a constant state of flux, management finds it difficult to and at times impossible to keep themselves abreast on all the changes and their implications for their operations. This will definitely increase the amount of uncertainty perceived in the environment.

A volatile environment is dynamic and there is a high degree of unpredictable changes. These make it difficult for management to predict accurately, the probabilities associated with various decision alternatives.

From all indications, it is obvious that the degree of uncertainty perceived by executives in an environment as this is a function of the characteristics of the environment.

POLICY IMPLICATION/RECOMMENDATIONS

There is need for the country to improve its business environment in order to maximize the hugely untapped investment opportunities that exist across the country. Existence of critical impediments impedes the development of the non-oil sectors, which affect the productivity, efficiency and competitiveness of enterprises. Far reaching investment climate reforms is not only necessary, but imperative now.

That is the only way we can improve the country's competitiveness ranking and attract more Domestic and Foreign Direct Investment into the country. That is the only way Small and Medium scale Industries will flourish to foster economic growth and development in Nigeria.

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A STUDY ON OCCUPATIONAL STRESS EXPERIENCED BY TILE INDUSTRY EMPLOYEES IN KANNUR AND CALICUT DISTRICT OF KERALA STATE

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ABSTRACT

Stress is a universal element and persons from nearly every walk of life have to face stress. Stress can have negative impacts on both the employee and the organization. Actually, in this research paper it was checked that what the impact occupational stress produced upon employees. The study describes the occupational stress in tile industries placed in Kannur and Calicut districts, Kerala. A randomly selected sample of 200 employees from the select two districts shows that occupational stress is found higher among Kannur district tile industry employees compared to Calicut district employees. Among different occupational stress variables role over load, role authority, role conflict and lack of senior level support contribute more to the occupational stress. Employees cannot afford the time to relax and "wind down" when they are faced with work variety, discrimination, favoritism, delegation and conflicting tasks.

KEYWORDS

occupational stress, tile industry.

INTRODUCTION

People react to stress in different ways. Some coping strategies are much better than others and suffering fewer of the harmful effects of stress. Just as stress differs as a function of the individual, it also differs as a function of one's type of occupation. Some occupations are, of course, inherently more stressful than others. All of the stress-strain-health relationships have an obvious impact on the organization and industry. Occupational stress is becoming increasingly globalized and affects all countries, all professions and all categories of workers, as well as families and society in general (Ahmad and Ahmad, 1992). Beehr and Newman (1978) define occupational stress as "A condition arising from the interaction of people and their jobs and characterized by changes within people that force them to deviate from their normal functioning."

Occupational stress is any discomfort which is felt and perceived at a personal level and triggered by instances, events or situations that are too intense and frequent in nature so as to exceed a person's coping capabilities and resources to handle them adequately. Work stress thought to affect organization by: 1) Increasing absenteeism, 2) Decreasing commitment to work, 3) Increasing staff turn-over, 4) Increasing complaints from clients and customers, 5) Increasing unsafe working practice, 6) Adversely affect staff recruitment and 7) Damaging the organization image both among its workers and externally.

Although, a lot of studies have been conducted on the psychosocial side of the new policy regime in many sectors, there are only few studies, as far as the tile industry is concerned, while the same sector has been drastically influenced by the new policies. In this juncture, the present study is undertaken to address specific problems of tile industry employees related to occupational stress. This throws light in to the pathogenesis of various problems related to occupational stress among tile industry employees. The study will be helpful to drawn up further policy on the related fields and act as a secondary data for further research.

WORKPLACE FACTORS CAUSING STRESS

The workplace is an important source of both demands and pressures causing stress and structural and social resources to counteract stress. The workplace factors that have been found to be associated with stress and health risks can be categorized as those to do with the content of work and those to do with the social and organizational context of work. Those that are intrinsic to the job include long hours, work overload, time pressure, difficult or complex tasks, lack of breaks, lack of variety and poor work conditions (for example, space, temperature, light, sound). Ten factors as the most important contributors to employee stress. In order of importance, these were: 1) Employees not being free to talk with one another, 2) Personal conflicts on the job, 3) Employees not being given enough control over their work, 4) Inadequate supervisory support, 5) Management and employees not talking openly, 6) Management perceived as being unsupportive, 7) Below-average sick and vacation benefits, 8) Job difficulty, 9) Having to deal with bureaucratic red tape and 10) Lack of recognition or reward for doing a good job.

LITERATURE REVIEW

Rabindra Kayastha, Krishnamurthy and Adhikary (2012) deals in their study that to compare the occupational stress of the relationship between three different types of schools that is government, public, and private schools with particular reference to corporate, Higher Secondary Level School of Nepal. The research founded that there is no significant difference in occupational stress among Higher Secondary Level School Teachers of Nepal in three different types of schools as the obtained p value 0.499. Insignificant relationship was found in comparison of three different types of schools in Nepal. **Vijit Chaturvedi (2011)** discussed in his study that the difference in occupational role stress among employees (both male and female) working in private and government institutes in academic industry. It was found that women employees were more stressed than male counterparts. Age was found to have significant impact on stress level were as income group did not varied with respect to level of stress. **Tanuka Roy Sinha, Debmallya Chatterjee and Paivi Iskanius (2011)** deals in their article that one of the problems encountered by the employees in the place of work today is the increased level of work stress. It shows from the study that among the major factors, dealing with the patients suffering from critical illnesses, lack of reward/recognition/ apprehension and fatigue induces maximum stress among nurses.

OBJECTIVE OF THE STUDY

The major objective of the study is to analyze the level of occupational stress among the Calicut and Kannur district tile industry employees.

METHODOLOGY OF THE STUDY

Sample: The sampling population of this research includes 200 employees, 100 employees from Calicut and remaining 100 from Kannur. This research followed the systematic random sampling method representative population. The population belongs to an age group of 25 to 50. Only male population considered in this research.

Tool of data collection: A multi dimensional analysis of job stress and coping patterns of employees is the primary focus of this research. A methodology adopted for this research is given. The variables selected for the study are: 1) Self Role Distance (SRD), 2) Role Stagnation (RS), 3) Inter Role Distance (IRD), 4) Role Ambiguity (RA), 5) Role Expectation Conflict (REC), 6) Role Overload (RO), 7) Role Inadequacy (RI), 8) Personal Inadequacy (PI) and 9) Role Isolation (RI). In this research, the statistical tools like Mean, SD and 't' test are used.

Hypothesis : Stress will be higher among Kannur district employees compared to Calicut district employees.

ANALYSIS AND RESULTS

The Table 1 indicates the significant difference between the Calicut and Kannur district employees in their level of stress. The Table 2 indicates that the Kannur district employees have high mean score (86.97) in relation to occupational stress compared to Calicut district employees (75.84) in this particular research. This shows Kannur district employees have high-level stress compared to Calicut district employees. The Table 2 indicates that among the selected occupational stress variables Role Ambiguity has the highest mean value of (12.3) followed by Self Role Distance (10.27) in Calicut district. In Kannur district, also these variables have the high mean scores with 16.15 and 11.56, respectively. Role Isolation has the lowest mean score in both categories (4.21 and 5.72, respectively) followed by Personal Inadequacy (5.83 and 5.92, respectively).

TABLE 1: MEAN SD AND T-VALUES OF STRESS SCORES AND COPING SCORES OF RESPONDENTS WITH RESPECT TO THEIR ORGANISATION.

Variable	N	Calicut		Kannur		't'	DF
		Mean	SD	Mean	SD		
Total Stress	200	75.84	10.11	86.97	15.76	5.92**	198

** Significance at 1% level.

TABLE 2: MEAN, SD AND T-VALUES OF STRESS SCORES OF RESPONDENTS WITH RESPECT TO SELECTED OCCUPATIONAL STRESS VARIABLES

Variable	Calicut		Kannur		't'
	Mean	SD	Mean	SD	
SRD	10.27	3	11.56	3.56	2.54**
RS	6.85	2.87	7.83	2.89	2.4**
IRD	9.03	2.46	10.41	2.60	3.84**
RA	12.30	3.76	16.15	5.16	6.00**
REC	9.21	2.4	9.68	2.88	1.25 ^{NS}
RO	6.51	1.5	5.96	1.61	2.45**
RI	5.47	1.99	6.39	2.33	2.99**
PI	5.83	1.58	5.92	1.26	0.44 ^{NS}
RI	4.21	1.74	5.72	1.88	5.85**
Total Stress	75.84	10.10	86.97	15.75	5.92**

Note: ** - Significant at 1% level.

FINDINGS

- 1) There is significant difference in the level of occupational stress between Calicut and Kannur district employees.
- 2) Occupational stress is found higher among Kannur district employees compared to Calicut district employees.
- 3) Among different occupational stress variables role over load, role authority, role conflict and lack of senior level support contribute more to the occupational stress among Kannur district employees compared to Calicut district employees.

SUGGESTIONS

To alleviate the negative consequences of stress more effort on the part of policy makers, practitioners, and organizational management envisaged. The author, thereby making a few efforts to suggest some effective measures that can alleviate the stress of tiles industry employees and leads to their better adjustment within the organisation. They can be detailed as follows:

- 1) Take adequate steps to redesign jobs, which are taxing to employees' abilities and capacities.
- 2) To reduce the workload role slimming and role adjustment process should be resorted to.
- 3) Encourage the cross-functional and interdepartmental work arrangements to reduce work related stress among low performers and low achievers.
- 4) Facilitate role enlargement, role linkage and role enrichment to manage role isolation, self-role distance and role erosion.
- 5) Adequate role clarification to be made whenever necessary to eliminate role ambiguity.
- 6) Introduce more job oriented training programs, which improve employees' skill and their confidence to work effectively.
- 7) Do concentrate on career planning to manage role stagnation.
- 8) Encourage open channel of communication to deal work related stress.
- 9) Let the employee clear about hard work related reward and smart work related reward.

CONCLUSION

The productivity of the work force is the most decisive factor as far as the success of an organisation is concerned. The productivity in turn is dependent on the psychosocial well being of the employees. In an age of highly dynamic and competitive world, man is exposed to all kinds of stressors that can affect him on all realms of life. The growing importance of interventional strategies is felt more at organizational level. This particular research was intended to study the impact of occupational stress on Calicut and Kannur district employees. Although, certain limitations were met with the study, every effort has been made to make it much comprehensive. The author expects to draw attention from policy makers and men of eminence in the related fields to resume further research.

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REVISIONING GANDHI'S SWARAJ AS AN ALTERNATIVE MODEL OF 'GLOBALISATION'

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ABSTRACT

On the face of it, the world seems to have entered a new, post-colonial phase of national self-determination. However the global geo-politics and economics argue the opposite. If one pauses to consider the wars and depredations, inequality and hunger now in process worldwide, it becomes difficult to believe that we have in fact moved into a new kind of world, smartly coined as 'globalisation' which misleads more than what it reveals as to its true face and nature. However the violence, deprivation, exploitation of man and nature both, cultural hegemony and global institutional arrangements that existed in the colonial era widely persist even today in various new forms and patterns. With the logic of globalization widely spread and boundaries erased by the advancement in information technology, the process of economic exploitation has become even more simplified with the emergence of the transnational corporations as a more stable and economically viable an entity than the nation state. In such a scenario Gandhi's Globalisation beautifully illustrated and explained in Hind Swaraj can be an authentic horizon to look at as an alternative for better living. It is the Gandhian philosophy of Swaraj that can embody and harmonise our personal and political aspirations because it foregrounds a certain vision of society which is free from exploitation, oppression, and violence, a society of self-regulating individuals of high moral character cooperating with one another in a free and non-violent manner. Just as each individual seeks swaraj, so does each nation, society, or country. So there is an urgent need to examine, understand and then appreciate, if possible, the various agencies of globalisation which have made inroads into our life and consciousness. After careful examination all these forces have to be negated in favour of Gandhian swaraj so as to ensure equilibrium and balance in the patterns of living.

KEYWORDS

Globalisation, hegemony, depredation, alternative, horizon, swaraj, authentic, sustainable.

1. INTRODUCTION

The last century has been witness to a lot of dramatic and traumatic changes in every domain of human as well social life. At the beginning of the 21st century it is high time to take stock of all these evolutionary and revolutionary shifts, and to examine as objectively as possible, the impact of this transformation in the modes of living. The economic crisis is now being felt worldwide, including in prosperous Europe and USA, with the recessionary tendencies on the rise with every passing day. On the cultural front, the fast emerging global socio-political and scientific-technological sequence of events, aided by a culture of greed, have dismantled almost in one go all humanity and all its finer values hitherto believed invincible. All of a sudden, economics has undermined and overshadowed all other branches of human discourse or endeavour. The most frightening aspect of this development is that man is nowhere in the reckoning now and has been pitifully reduced to the status of a consumer and commodity. This model of progress and growth based on machine and market threatens to further widen the existing socio-economic disparities which fuel an atmosphere of conflict and unrest. The unending quest for resources to perpetuate globalization is creating wars and conflict zones across the planet – wars over land, wars over water, wars over seed and wars over food. There is an increase in violence and militarization. Mother earth is in jeopardy at the rapacious hands of these forces. Corporate globalization has also undermined representative democracy making States representative of corporate interest rather than public interest.

OBJECTIVES

This paper is an attempt to examine the multiple layers of the crisis that globalization has unleashed – the socio-cultural, the economic, the ecological and the political crisis; and to relocate an alternative model of development as envisaged by Mahatma Gandhi in the first half of the 20th century. My humble attempt in this endeavour has been to examine the creeping changes in form and significance happening to us as a result of the processes of 'globalisation', and then try and find out an alternative horizon for fresh breathing and healthy life on the face of the earth.

DISCUSSION

The politics and philosophy of Mahatma Gandhi are more relevant today than ever before in finding ways to live peacefully, equitably and sustainably on this fragile planet. Physical science has already achieved a lot by making tremendous advances in its search and explorations about the physical and material reality during the 20th century. Almost all nature and natural systems are well understood and explained today. But this empirical knowledge has not yielded to any improvement at the existential level. People still fight like dogs. They still go hungry. There is no end to the regime of exploitation or suffering. We have not learnt how to cohere like molecules, to flock together like birds, to pitch together like in a musical concert, and establish a measure of 'sharing and symbiosis' like in natural system. In the absence of this existential knowledge, all empirical knowledge is not of much use. The paper makes an attempt to explore the contemporary relevance of Gandhi's key concepts of Swaraj, Swadeshi, Sarvodaya and Satyagraha. Gandhi's observation that the earth has enough for everyone's needs and not for some peoples' greed can be translated into emerging movements for the defence of the earth and people's rights.

GANDHI AND GLOBALIZATION

When one at the beginning of the 21st century tries to have a relook at Gandhian principles and percept and carries out an dispassionate analysis of their relevance and impact in the context of Globalisation in its contemporary form and shade, it is very important to attain a certain level of conceptual clarity and the process of communication. Before we begin our debate on the issue, let us try to find what the greatest scientist of the 20th century, Albert Einstein have to say about Gandhi: "Generations to come will scarcely believe that such a man ever in flesh and blood walked upon earth." There are huge volumes of words written on Gandhi's thoughts and actions in almost every sphere and stream of life from village to global level. Gandhi was a complete man with an integrated vision of life, a unified vision of humanity. He entered the world during the times of great conflicts and confusions. His entire endeavour is to address the issue of bringing about a new era in human civilisation founded on the principles of truth, non-violence and peaceful coexistence. In comparison there many of his contemporary thinkers and political leaders tended to get segmental and fragmented during the 20th century. How can social action contribute to coherence and peace when the thought process turns segmental and fragmented?

If one looks at the evolutionary march of human civilization, one finds one is amazed to witness the process and patterns of evolving culture, great advances made in the field of physical sciences, phases of planned development and representative democracy. The understanding of the basic elements of nature through scientific research has contributed a lot to the emergence and sustenance of life on earth. It was indeed a global process of evolution starting from the mono-cellular through the plant and animal to the human species. As life takes a firm footing on the solid and stable surface of mother earth, one finds that 'change' has also been a constant and continuous pattern on a global scale. With these shifting patterns of ideas and living, one witnesses the emergence of diverse modes of analysis and experimentations. At political front we see this evolution in the form theocracy, dictatorship, monarchies, democracy. At socio-economic level transformation takes place in the form of ideological shifts such as communism, socialism, capitalism, caste and class.

This change and transformation at the material and non-material level also underlines one basic feature of life i.e. conflicting interests between individuals and groups. As people struggle to have a sure and sustainable grounding on earth, they encounter forms of resistance from the other contending elements. Thus diversity, differentiation, discrimination, mutual hostility and conflict emerge as a 'natural' consequence in such a situation. By the end of the 20th century some intellectuals have already announced the 'death of God' and the 'end of history'. The global discourse during the last decade of the 20th century has brought out one common refrain, political democracy and economic liberalisation as the main stream of globalisation. However, democracy, though still widely hailed and accepted as an ideal and as a virtue, too has come under tremendous strain at the rapacious hands of capitalist mode of polity. Capitalism too is facing a tremendous challenge in the first decade of the 21st century with the emergence of recessionary tendencies at the global stage. It is the context of this global change that contemporary discourse on globalisation as a phenomenon has emerged to the fore and assumed critical proportion.

It can be argued, empirically, that after the emergence of humans, the process and path of evolution has taken a turn from the physical to the social, that had witnessed the emergence of political organisation of power, economic organisation of tools of production and exchange of goods and services (barter), and the diverse elements of non-material culture. However some major fault lines, structural fault lines have emerged in the process of social evolution, such that can be resolved through spiritual, ethical, moral, humanist norms as a universal scale. Jayprakash Narayan writing a Forward to J. D. Sethi's book says:

"I do not deny that there has been considerable progress in the past thirty years in the economic fields and that remains our very valuable asset. But along with that our problems and liabilities have become far more serious and menacing. The polity and its institutions have been seriously eroded. Some institutions have been destroyed just to satisfy the lust of power of one or a few individuals..... The moral fibre of our society has been shred to pieces" (Sethi, VIII)

Human society is in need of a spiritual shift for the resolution of its fault lines. This is Gandhian spiritualism. In the midst of crusades and jihadis, and the rise in religious fundamentalism Gandhi has envisaged a society founded on spiritualism, as a cure to the civilizational ills of human society. Gandhi failed in his life time. His assassination itself has demonstrated the malaise of human civilization. Gandhi, as we realise today, was ahead of his times. Almost six decades after his death, the world has woken up to the Gandhian thought and made as a corrective to the civilizational ills of globalisation. Fusion is the path. Fission is annihilation of human civilization.

Gandhi's vision of life on earth is founded on the ethical principles of truth, equality, peaceful coexistence. Gandhian Globalisation is not opposed to material growth and prosperity but its main theme is the kind of progress where growth contributes to human welfare for the larger number. In Gandhian scheme of things man is the only measure of development. Gandhi's universalism can be traced to his idea and ideal of *swaraj*. Rajamohan Gandhi (1995) in his chapter titled *Hind Swaraj* notes the following in the context of Gandhian *swaraj*.

"I for one am unable to accept the sweeping statement: The tendency of the Indian Civilisation is to elevate the moral being, that of the Western civilization is to propagate immorality. The latter is godless, the former is based on a belief in God' (Ch. 3). The torch held by *Hind Swaraj's* author does not throw an even light on the terrain under examination. Some portions remain in darkness while the shape of others is distorted or exaggerated. Yet no study of the historic encounter between the Indian and the Western civilizations can ignore *Hind Swaraj*; neither can any study of the workings of Gandhi's mind (P 139)"

Though the concept of *swaraj* as envisaged by Gandhi was india specific, it is as relevant to the rest of the people or societies in its applicability and efficacy as it is to india. He himself explained it: "I submit that *swaraj* is an all-satisfying goal for all time. ... It is infinitely greater than and includes independence," (YI, 12 January 1928). Main features of Gandhian *swaraj* are freedom (from hunger and disease) decentralised, participative and consensual mode of decision making in public affairs, egalitarianism (without prejudice or discrimination), harmony (between individuals, groups, communities and nations), *Antyodya* and *Sarvodya* (last man first while pursuing the welfare of all). Gandhi states that "*Swaraj* for me means freedom for the meanest of our countrymen. I am not interested in freeing India merely from the English yoke. I am bent upon freeing India from any yoke whatsoever. I have no desire to exchange 'king log for king stork (YI, 12-6-1924, 195)". He further explains: "Self-government means continuous effort to be independent of government control, whether it is foreign government or whether it is national (YI, 6-8-1925, 276)." These two statements clearly say that *swaraj* for Gandhi is not simply a self-rule or freedom from foreign rule; it denotes an important inner domain of truth and non-violence as a necessary prerequisite. Gandhian *swaraj* means the capacity of the individual to rule over his/her own self as a prerequisite in order to establish self-rule at the societal, national or global level. His concepts of *sarvodya* and *satyagrah* too are to be viewed as predicates to implement the vision of *swaraj*. *Swaraj* leads to a nation which contributes to *sarvodya* or a more humane and equitable order. Thus, for Gandhi, *swaraj* begins at the unitary level, at the bottom; not at the top:

In this structure composed of innumerable villages, there will be ever widening, never ascending circles. Life will be a pyramid, with the apex sustained by the bottom. But it will be an oceanic circle whose centre will be the individual always ready to perish for the village, the latter ready to perish for the circle of villages, till at last the whole becomes one life composed of individuals, never aggressive in their arrogance, but ever humble, sharing the majesty of the oceanic circle of which they are integral part. (Harijan, 1946, 10)

Gandhian *swaraj* envisages complete freedom for an individual who lives in complete harmony with others around; who is free from any exploitation; who has self-restraint in abundance even in the face of the gravest provocation. Gandhian *swaraj* also means a society based on the values of truth and non-violence, with God as the presiding deity, a society which does not allow the dominance of machine over man. It is this connotation of *swaraj* which can bring about a meaningful change in the contemporary patterns of living bordering on mutual conflict, cut throat competition, oppressive tendencies and militarization. The political, the economic, the socio-cultural and the spiritual aspects are thus integral to such a process of development, not sequential.

Thus, Gandhi's call is for a 'culture of need' in place of the 'culture of greed'. The natural law of environmental sustainability is emphasised in meeting the needs of all while denouncing the greed of some which leads to deprivation and discrimination against many. Such a development is based on upholding harmony and balance not only between different people at any point of time but also as between generations. Gandhian concept of social equity and harmony are thus not only humanistic but also universal and eternal. Poverty anywhere is a threat to prosperity anywhere. So is the case in the disorder, conflict and insecurity. Gandhian concept of harmony and justice are based on *Vasudevya Kutumbakam* (the universal family of man), not polarised, bipolar or multi-polar. Thus truth, harmony, *Sarvodya*, *Antyodya*, peace and humanism represent the core of Gandhian mould of integral development. It is integral as it encompasses all spheres of life on earth. It is cosmic in its convas, with man at the centre of everything.

CONCLUSION

The last century has been the story of traumatic changes in the history of mankind. It has been an era of conflict, brutal violence, human suffering and mass killings, dehumanisation of people on a mass scale and state terrorism. It has witnessed the death of ideology, and the death of God. However, what we witness is not the evolutionary change based on humanist and universal norms of harmony and peace, propounded by Gandhi who had tried to shape the movement of true freedom. Gandhi failed in his life time to give concrete shape to his idea of true globalisation because the ground realities were not appropriate for the materialisation of a vision of people centric development and a world without boundaries. The soil was not fertile enough to give birth to his universal humanism, where man would be the measure of development. The logic of Gandhian humanism miserably failed to take off even in India which proudly calls him the father of the nation. Gandhianism probably will have to wait for some more time to attain its criticality to usher in a more authentic and more sustainable mode of development. It was rightly commented that Gandhi was a hundred years ahead of his times.

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MORPHOLOGICAL BACKGROUND DETECTION AND ENHANCEMENT OF IMAGES WITH POOR LIGHTING USING CUMULATIVE HISTOGRAM ANALYSIS

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ABSTRACT

Morphological transformations [5] are used to enhance the background in images characterized by poor lighting. Contrast image enhancement has been carried out by transformation which utilizes the opening by reconstruction, which is employed to define the multibackground notion. The objective of contrast operators consists in normalizing the grey level of the input image with the purpose of avoiding abrupt changes in intensity among the different regions. Finally, the performance of the proposed operators is illustrated through the processing of images with different backgrounds, the majority of them with poor lighting conditions. Histogram equalization is a straightforward image-processing technique often used to achieve better quality images in black and white color scales in medical applications such as digital X-rays, MRIs, and CT scans. All these images require high definition and contrast of colors to determine the pathology that is being observed and reach a diagnosis. However, in some type of images histogram equalization can show noise hidden in the image after the processing is done. This is why it is often used with other imaging processing techniques.

KEYWORDS

Mathematical Morphology (MM), Magnetic Resonance Imaging (MRI), Computed Tomography (CT) scan, Cumulative Histogram, Morphological enhancement.

INTRODUCTION

The contrast enhancement problem in digital images can be approached from various methodologies, among which is Mathematical Morphology (MM)[1]. Initial studies on contrast enhancement in this area were carried out which introduced the contrast mappings notion. Such operators consist in accordance to some proximity criterion, in selecting for each point of the analyzed image, a new grey level between two patterns (primitives). With regard to MM, several studies based on contrast multiscale criterion have been carried out. A scheme is defined to enhance local contrast based on a morphological transformation.

Even though morphological contrast [6, 12] has been largely studied, there are no methodologies, from the point of view MM, capable of simultaneously normalizing and enhancing the contrast in images with poor lighting. On the other side, one of the most common techniques in image processing to enhance dark regions is the use of nonlinear functions, such as logarithm or power functions otherwise, a method that works in the frequency domain is the homomorphic filter.

In addition, there are techniques based on data statistical analysis, such as global and local histogram equalization. During the histogram equalization process, grey level intensities are reordered within the image to obtain a uniform distributed histogram. However the main disadvantage of histogram equalization is that the global properties of the image cannot be properly applied in a local context frequently producing a poor performance in detail preservation. A method to enhance contrast is proposed the methodology consists in solving an optimization problem that maximizes the average local contrast of an image. The optimization formulation includes a perceptual constraint derived directly from human super threshold contrast sensitivity function. The method applies the proposed operators to some images with poor lighting with good results. Morphology is a broad set of image processing operations that process images based on shapes. Morphological operations apply a structuring element to an input image, creating an output image of the same size.

LITERATURE SURVEY

Even though morphological contrast has been largely studied, there are no methodologies, from the point of view MM, capable of simultaneously normalizing and enhancing the contrast in images. The advent of digital age has destroyed the security and protection of digital multimedia information.

A. DRAWBACKS OF EXISTING SYSTEM:

- a. Non-reputable.
- c. Extra storage.
- d. Poor performance in detail preservation.
- e. There are no methodologies, from the point of view MM, capable of simultaneously normalizing and enhancing the contrast in images with poor lighting.
- f. Contrast stretching cannot be applied for the images, which span the entire intensity range i.e. 0-255.

B. MATHEMATICAL MORPHOLOGY

The field of mathematical morphology contributes a wide range of operators to image processing, all based around a few simple mathematical concepts[4,5,7] from set theory. The operators are particularly useful for the analysis of binary images and common usages include edge detection, noise removal, image enhancement and image segmentation.

The two most basic operations in mathematical morphology are erosion and dilation. Both of these operators take two pieces of data as input an image to be eroded or dilated, and a structuring element (also known as a kernel). The two pieces of input data are each treated as representing sets of coordinates in a way that is slightly different for binary and grayscale images.

For a binary image, white pixels are normally taken to represent foreground regions, while black pixels denote background. (Note that in some implementations this convention is reversed, and so it is very important to set up input images with the correct polarity for the implementation being used). Then the set of coordinates corresponding to that image is simply the set of two-dimensional Euclidean coordinates of all the foreground pixels in the image, with an origin normally taken in one of the corners so that all coordinates have positive elements.

For a grayscale image, the intensity value is taken to represent height above a base plane, so that the grayscale image represents a surface in three-dimensional Euclidean space. Then the set of coordinates associated with this image surface is simply the set of three-dimensional Euclidean coordinates of all the points

within this surface and also all points below the surface, down to the base plane. Note that even when we are only considering points with integer coordinates, this is a lot of points, so usually algorithms are employed that do not need to consider all the points.

Morphology is a broad set of image processing operations that process images based on shapes. Morphological operations apply a structuring element to an input image, creating an output image of the same size. In a morphological operation [9, 12], the value of each pixel in the output image is based on a comparison of the corresponding pixel in the input image with its neighbors. By choosing the size and shape of the neighborhood, you can construct a morphological operation that is sensitive to specific shapes in the input image.

The most basic morphological operations[9,12] are dilation and erosion. Dilation adds pixels to the boundaries of objects in an image, while erosion removes pixels on object boundaries. The number of pixels added or removed from the objects in an image depends on the size and shape of the structuring element used to process the image. In the morphological dilation and erosion operations, the state of any given pixel in the output image is determined by applying a rule to the corresponding pixel and its neighbors in the input image. The rule used to process the pixels defines the operation as dilation or erosion.

Erosion is one of the two basic operators in the area of mathematical morphology[4,5], the other being dilation. It is typically applied to binary images, but there are versions that work on grayscale images. The basic effect of the operator on a binary image is to erode away the boundaries of regions of foreground pixels (i.e. White pixels, typically). Thus areas of foreground pixels shrink in size, and holes within those areas become larger.

Dilation is one of the two basic operators in the area of mathematical morphology, the other being erosion. It is typically applied to binary images, but there are versions that work on grayscale images. The basic effect of the operator on a binary image is to gradually enlarge the boundaries of regions of foreground pixels (i.e. White pixels, typically). Thus areas of foreground pixels grow in size while holes within those regions become smaller.

C. HISTOGRAM EQUALIZATION

Histogram modeling techniques[2,8] (e.g. histogram equalization) provide a sophisticated method for modifying the dynamic range and contrast of an image by altering that image such that its intensity histogram has a desired shape. Unlike contrast stretching, histogram-modeling operators may employ *non-linear* and *non-monotonic* transfer functions to map between pixel intensity values in the input and output images. Histogram equalization employs a monotonic, non-linear mapping which re-assigns the intensity values of pixels in the input image such that the output image contains a uniform distribution of intensities (i.e. a flat histogram). This technique is used in image comparison processes (because it is effective in detail enhancement) and in the correction of non-linear effects introduced by, say, a digitizer or display system as shown in table 1.

TABLE 1: METHODS FOR HISTOGRAM EQUALIZATION

Method	Advantage	Disadvantage
Histogram expansion	Simple and enhance contrasts of an image	If there are gray values that are physically far apart from each other in the image, then this method fails
LAHE	Offers an excellent enhancement of image contrast	Computationally very slow, requires a high number of operations per pixel
Cumulative histogram equalization	Has good performance in histogram equalization	Requires a few more operations
Par sectioning	Easy to implement	Better suited to hardware implementation.
Odd sectioning	Offers good image contrast	Has problems with histograms which cover almost the full gray scale

METHODOLOGY

Cumulative histogram is used in the proposed system. (Data about cumulative histogram) Cumulative Histogram Equalization [8] can be applied for the images which span the entire intensity range i.e. 0-255. This method usually increases the global contrast of many images, especially when the usable data of the image is represented by close contrast values. Through this adjustment, the intensities can be better distributed on the histogram. This allows for areas of lower local contrast to gain a higher contrast. Histogram equalization accomplishes this by effectively spreading out the most frequent intensity values.

The method is useful in images with backgrounds and foregrounds that are both bright or both dark. In particular, the method can lead to better views of bone structure in x-ray images, and to better detail in photographs that are over or under-exposed. A key advantage of the method is that it is a fairly straightforward technique and an invertible operator. So in theory, if the histogram equalization function is known, then the original histogram can be recovered. The calculation is not computationally intensive. A disadvantage of the method is that it is indiscriminate. It may increase the contrast of background noise, while decreasing the usable signal.

A. CUMULATIVE HISTOGRAM

Each array element gives the number of pixels with a gray-level less than or equal to the gray level corresponding to the array element.

- a.Create the histogram for the image.
- b.Calculate the cumulative distribution function histogram.
- c.Calculate the new values through the general histogram equalization formula (1.1).
- d.Assign new values for each gray value in the image.

$$c_j = \sum_{i=0}^j h_i \tag{1.1}$$

Where Cj=Cumulative frequencies, hi =Histogram counts.

IMPLEMENTATION

PROCESS LOGIC

In processing logic, initially we select the input image from any folder or file, next preprocessing is carried out to convert the original image into gray scale image, then histogram analysis is applied to calculate the maximum and minimum pixels count, then the morphological enhancement is carried out to obtain the final enhanced image from gray scale image, at last we get the background enhanced and equalized image as output which is shown in below Fig 1.

FIG. 1: PROPOSED ARCHITECTURE OF MORPHOLOGICAL BACKGROUND DETECTION & ENHANCEMENT

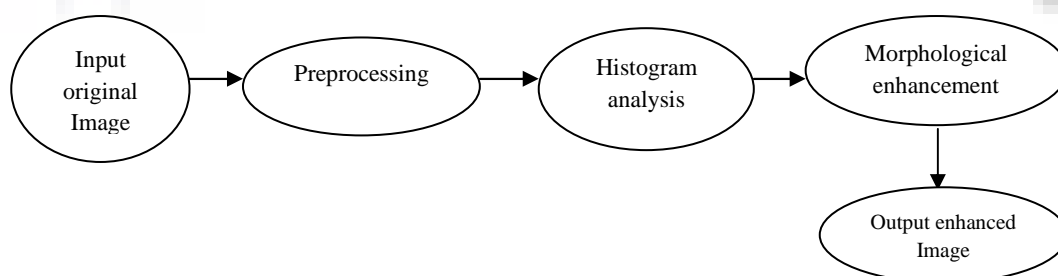


Fig 1, gives the proposed architecture of morphological background detection & enhancement process and it comprises of four modules namely, input image, Preprocessing, perform Histogram Analysis and morphological enhancement.

MODULE 1: SELECT THE INPUT IMAGE

In this module, user can choose a file from the directory it can be done by using the class JFileChooser. JFileChooser has supporting classes: FileFilter class, FileSystemView class, FileView.

- FileFilter class is for restricting files and directories to be listed in the File View of the JFileChooser.
- The File View controls how the directories and files are listed within the JFileChooser.
- The FileSystemView is an abstract class that tries to hide file system-related operating system specifics from the file chooser.

MODULE 2: PREPROCESSING THE IMAGE

In this module, the original image is converted into the gray image to calculate the intensity information.

MODULE 2.1: CONVERT THE IMAGE FROM COLOR IMAGE TO GRAYSCALE

A grayscale (or gray level) image is simply one in which the only colors are shades of gray. In photography and computing[10,11], a grayscale or grayscale digital image is an image in which the value of each pixel is a single sample, that is, it carries only intensity information. Images of this sort, also known as black-and-white, are composed exclusively of shades of gray, varying from black at the weakest intensity to white at the strongest.

Grayscale images are distinct from one-bit black-and-white images, which in the context of computer imaging are images with only the two colors, black, and white (also called bi-level or binary images). Grayscale images have many shades of gray in between. Grayscale images are also called monochromatic, denoting the absence of any chromatic variation.

Conversion of a color image to grayscale is not unique different weighting of the color channels effectively represents the effect of shooting black-and-white film with different-colored photographic filters on the cameras. A common strategy is to match the luminance of the grayscale image to the luminance of the color image.

In this module the original image is converted into gray image.

Input ()

```
{
    Take the original image as an input
}
```

Processing ()

```
{
    Get each pixel of the original image and using transformations convert it into gray image
    Step 1: Each pixel of the original image is obtained by using the Pixelgrabber ( ) function.
    Step 2: To convert any color to a grayscale representation of its luminance, First we must obtain the values of its red, green, and blue (RGB)
    Step 3: Then add together 30% of the red value, 59% of the green value, and 11% of the blue value to obtain gray image
    The formula  $Y = 0.3 * R + 0.59 * G + 0.11 * B$ 
}
```

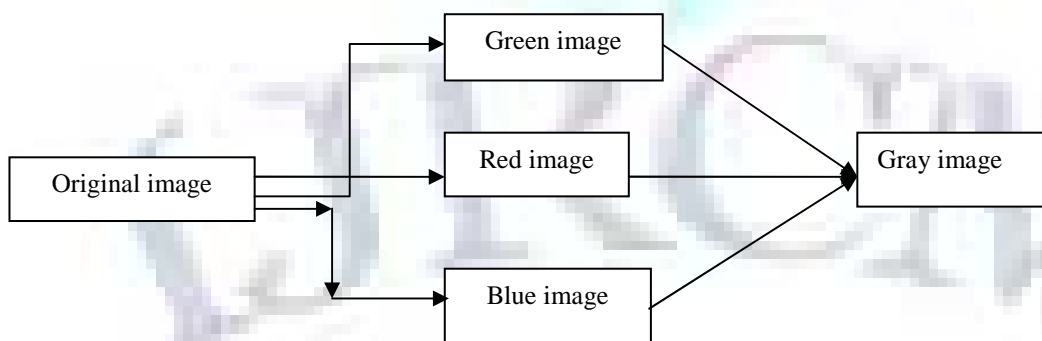
Output ()

```
{
    Get the output has gray image
}
```

To convert any color to a grayscale representation of its luminance, first one must obtain the values of its red, green, and blue (RGB) primaries in linear intensity encoding, by gamma expansion as shown in below fig 5.5. Then, add together 30% of the red value, 59% of the green value, and 11% of the blue value (these weights depend on the exact choice of the RGB primaries, but are typical). The formula $(11 * R + 16 * G + 5 * B) / 32$ is also popular since it can be efficiently implemented using only integer operations. Regardless of the scale employed (0.0 to 1.0, 0 to 255, 0% to 100%, etc.), the resultant number is the desired linear luminance value it typically needs to be gamma compressed to get back to a conventional grayscale representation.

This is not the method used to obtain the luma in the Y'UV and related color models, used in standard color TV and video systems as PAL and NTSC, as well as in the L*a*b color model. These systems directly compute a gamma-compressed luma as a linear combination of gamma-compressed primary intensities, rather than use linearization via gamma expansion and compression. To convert a gray intensity value to RGB, simply set all the three primary color components red, green and blue to the gray value, correcting to a different gamma if necessary.

FIG. 2: CONVERTING COLOR IMAGE TO GRAYSCALE



MODULE 3: PERFORM HISTOGRAM ANALYSIS

In an image processing context, the histogram[2] of an image normally refers to a histogram of the pixel intensity values. The histogram is a graph showing the number of pixels in an image at each different intensity value found in that image. For an 8-bit grayscale image there are 256 different possible intensities, and so the histogram will graphically display 256 numbers showing the distribution of pixels amongst those grayscale values. Histograms can also be taken of color images either individual histogram of red, green and blue channels can be taken, or a 3-D histogram can be produced, with the three axes representing the red, blue and green channels, and brightness at each point representing the pixel count. The exact output from the operation depends upon the implementation it may simply be a picture of the required histogram in a suitable image format, or it may be a data file of some sort representing the histogram statistics.

HISTOGRAM ANALYSIS

In this module the histogram for the gray image is computed.

Input ()

```
{
```

```

    }
    Take the gray image as an input
}
Processing ( )
{
Step 1: The image is scanned in a single pass and a running count of the number of pixels found at each intensity value is kept. This is then used to construct a suitable histogram.
Step 2: Get maximum pixel count and minimum pixel count and plot the graph, Frequency along x-axis and pixel as y-axis. The maximum pixel count can be obtained by comparing each pixel value
}
Output ( )
{
    Get the histogram for an image
}

```

The operation is very simple. The image is scanned in a single pass and a running count of the number of pixels found at each intensity value is kept. This is then used to construct a suitable histogram.

Histograms have many uses. One of the more common is to decide what value of threshold to use when converting a grayscale image to a binary one by thresholding. If the image is suitable for thresholding then the histogram will be bi-modal i.e. the pixel intensities will be clustered around two well-separated values. A suitable threshold for separating these two groups will be found somewhere in between the two peaks in the histogram. If the distribution is not like this then it is unlikely that a good segmentation can be produced by thresholding.

MODULE 4: MORPHOLOGICAL ENHANCEMENT

In this module the gray image is converted into Final enhanced image.

```

Input ( )
{
    Take the gray image as an input
}
Processing ( )
{
Perform some transformations to enhance the image
Step 1: Consider a discrete grayscale image {x} and let ni be the number of occurrences of gray level i. The probability of an occurrence of a pixel of level i in the image is given in formula 6.1.

```

$$p_x(i) = p(x = i) = \frac{n_i}{n}, \quad 0 \leq i < L \quad \dots\dots\dots (1.1)$$

Where, L being the total number of gray levels in the image, n being the total number of pixels in the image, and p_x(i) being in fact the image's histogram for pixel value i, normalized to [0,1].

Step 2: In this step we have to equalize histogram The general histogram equalization formula is

$$h(v) = \text{round} \left(\frac{cdf(v) - cdf_{min}}{(M \times N) - cdf_{min}} \times (L - 1) \right) \quad \dots\dots\dots (1.2)$$

Where, cdf_{min} is the minimum value of the cumulative distribution function M × N gives the image's number of pixels (where M is width and N the height) and L is the number of grey levels used, v is the pixel value

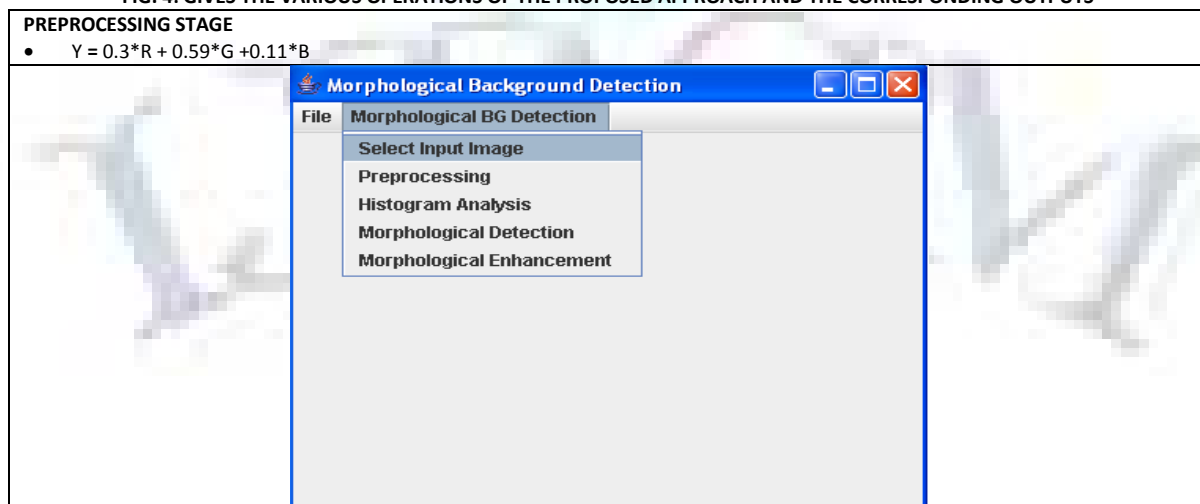
```

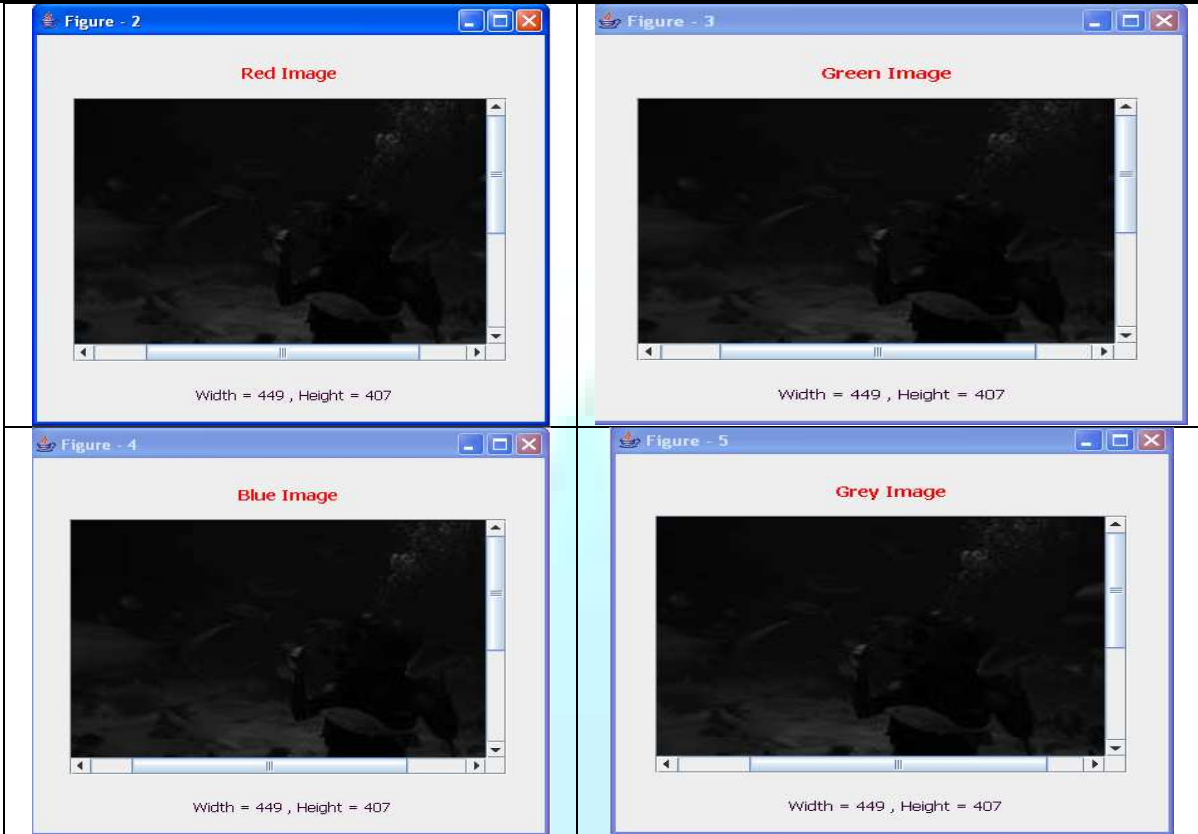
}
Output ( )
{
    Get the final enhanced image
}

```

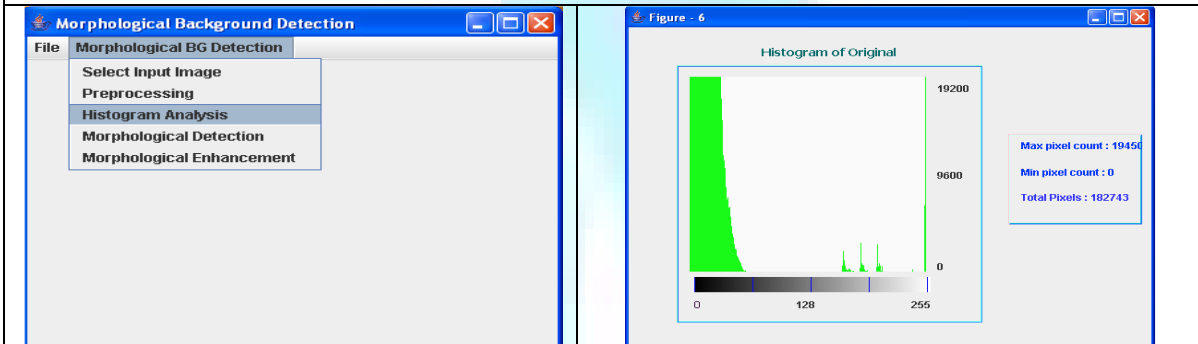
EXPERIMENTAL RESULTS

FIG. 4: GIVES THE VARIOUS OPERATIONS OF THE PROPOSED APPROACH AND THE CORRESPONDING OUTPUTS

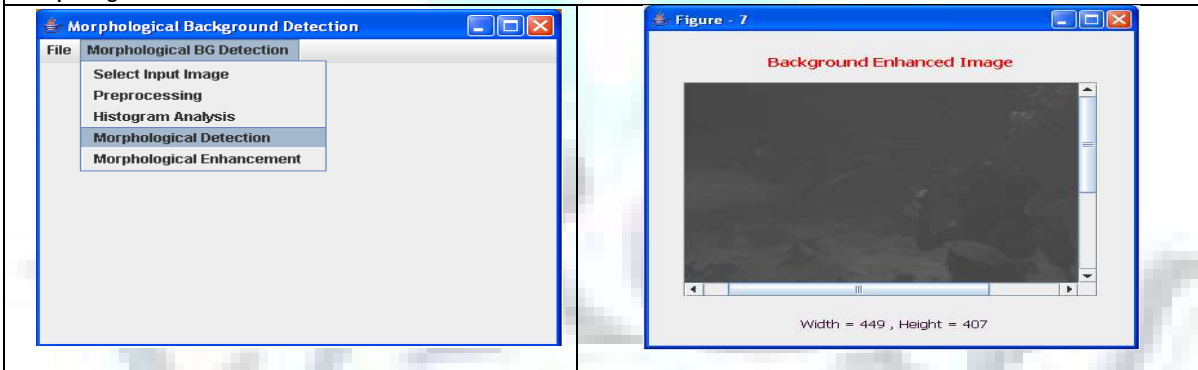




HISTOGRAM ANALYSIS

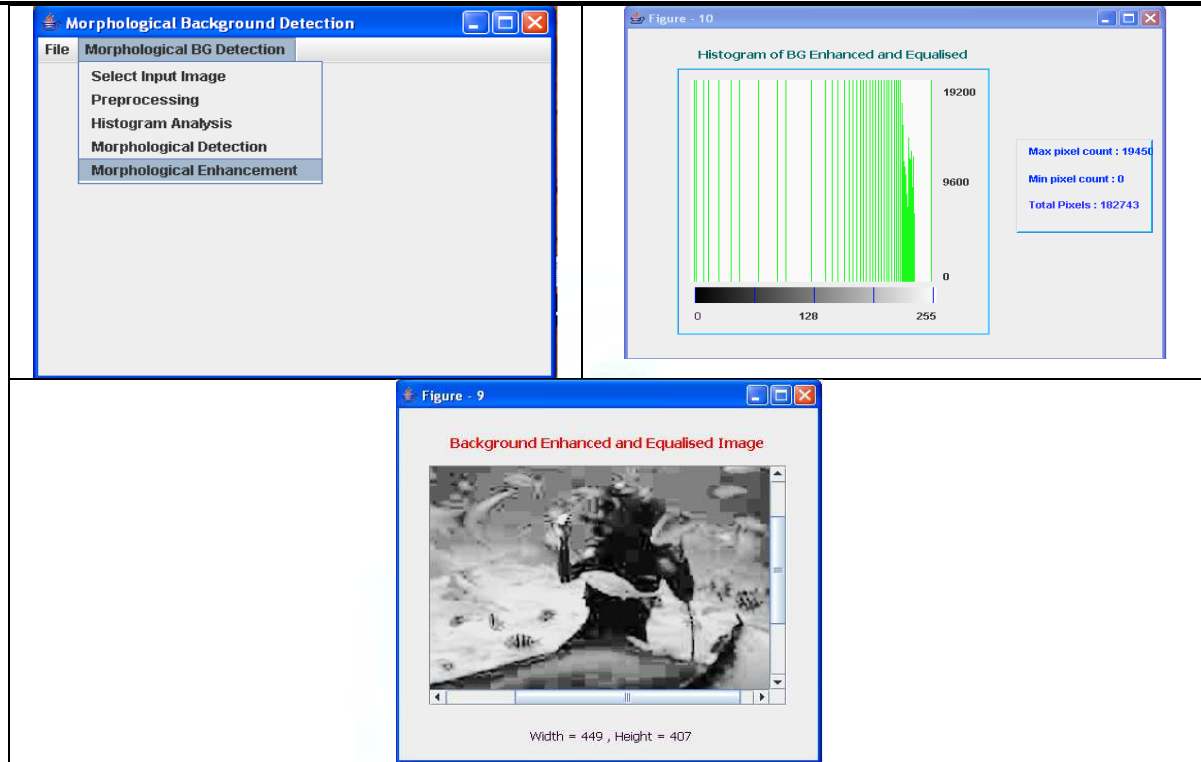


Morphological Detection



HISTOGRAM OF BACKGROUND ENHANCED IMAGE

MORPHOLOGICAL ENHANCEMENT



CONCLUSION

This paper is on "Morphological background detection and enhancement of images with poor lightning using Cumulative Histogram" presents a study to detect the image background and to enhance the contrast in grey level images with poor lighting. However, a difficulty was detected when the morphological erosion and dilation were employed therefore, a new proposal to detect the image background was propounded, and that is based on the use of morphological connected transformations.

These contrast transformations are characterized by the normalization of grey level intensities, avoiding abrupt changes in illumination. The operators performance employed in our paper were compared with others given in the literature survey. Finally, a disadvantage of contrast enhancement transformations studied in our paper is that they can only be used satisfactorily in images with poor lighting; in a future work, this problem will be considered.

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THE PLACE OF SMALL AND MEDIUM ENTERPRISES IN ECONOMIC DEVELOPMENT: A KENYAN PERSPECTIVE

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ABSTRACT

This paper seeks to explore the state of small and medium enterprises (SMEs) in Kenya. It also endeavors to determine the role that the government of Kenya plays in promoting SMEs in the country. In addition it sets to find out whether small and medium enterprises (SMEs) are seen to be of any relevant importance in Kenya's economy. To sum up, the paper looks at the constraints facing small and medium enterprises (SMEs) in Kenya before drawing recommendations and conclusions. It is established in this paper clearly that small and medium enterprises (SMEs) play important socio-economic importance roles in the Kenyan economy. As such, they form the bulk of all businesses in developing nations. Ideally, one of the main roles played by small and medium enterprises (SMEs) is the creation of employment. They are also perceived as vital for the promotion of competition and innovation – essential ingredients for the growth of the private sector. But even with the Knowledge of their importance, small and medium enterprises (SMEs) in Kenya face numerous challenges that hinder their success and survival. These include negative perception and less preference from investors. They face insurmountable difficulty in securing credit. The government should thus promote microcredit institutions for increased availability of credit. Proper legislation should be put in place to facilitate establishment of small and medium enterprises (SMEs). In a nutshell, there is need to constantly monitor the dynamic environment under which they operate and discern solutions that would secure the continued performance of small and medium enterprises (SMEs).

KEYWORDS

SME's-Small and medium enterprises, micro-credit institutions, economic development, GDP (Gross domestic product), performance.

INTRODUCTION

It is important to ask oneself this question: what are small and medium enterprises (SMEs)? The definition of small and medium enterprises (SMEs) varies across countries. In some countries, they are defined as enterprises that employ between 1 to 100 employees and have annual turnover of less than 100 Kenya Shillings. Definitions of small and medium enterprises (SMEs) vary across countries. In Sub-Saharan Africa, they are generally defined as enterprises that employ between one and one hundred employees (Elumba, 2008). Employment is created not only for the poor rural urban migrants but also for women, persons who lose employment or those going to self employment. The higher the entry cost and capital needs of small and medium enterprises (SMEs), the greater their profitability. As such the presence of credit would buttress the profitability of small and medium enterprises (SMEs) in Kenya. It is also important to note that the vast majority of small and medium enterprises (SMEs) operate in makeshift premises, in residential houses as well in street pavements among other places. This means that there is need for governments to build premises and other infrastructure that would enable SMEs to operate with ease. Small and medium enterprises (SMEs) are also perceived as some of the main ways of spurring economic growth in Kenya and their role is recognized in Kenya's Vision 2030. They also play critical roles in enhancing the attainment of informal employment. The vast majority face severe competition and insecure operating places (make-shift premises) which are devoid of essential services such as water and electricity. Whereas former attempts to fast-track development through the creation of large enterprises and industries has failed to reach the desired goals of improving the lives of the general population to the desired extents, small and medium enterprises (SMEs) are seen as a vehicle for even distribution of goods and services.

STATEMENT OF THE PROBLEM

Since the socio-economic importance of SMEs is undeniable, many studies have been carried out on the subject of SMEs. Who would not be interested in understanding a sector that plays a critical role in the economic development of many countries and which accounts for more than forty percent of all businesses in sub-Saharan Africa as pointed out by International Finance Corporation (IFC) (2007)?

In Kenya, the Small and Medium Enterprise (SME) sector is made up of various self-employment ventures and dynamic enterprises that entail a variety of activities usually in urban areas and increasingly in rural areas since the advent of Kenya's rural electrification project. The two paramount labor force components in the micro and small scale businesses in Kenya are entrepreneurs and apprentices. The total labor in the Small and Medium Enterprise sector varies across different sorts of business establishment and activities. One key characteristic of SMEs in Kenya is that they are generally young ventures. In most cases, age varies across locations and activities. The initial years of SMEs in the country are essential for survival. Severe competition often leads to the death of the less efficient and poorly managed enterprises. As such, businesses with higher capital needs and expertise often present higher entry challenges than those without such needs (Wanjira and Mureithi, 2008).

SIGNIFICANCE OF THE STUDY

SMEs in Kenya have attained more progress and maturity than those found in the rest of the continent. Another worth noting characteristic of Small and Medium Enterprise in Kenya is that the vast majority of entrepreneurs in Kenya are male. Women account for less than half of entrepreneurs (40 % of all entrepreneurs). But their role in the Small and Medium Enterprise sector in Kenya cannot be underestimated. They use less start-up capital and dominate commercial and service activities. According to Parker and Torres (2001) women entrepreneurs in Kenya start their businesses smaller, use smaller start-up capital, grow slower and show unique and innovative credit-use patterns and more often than not are prone to operating from home.

LITERATURE REVIEW

The largest proportion of Kenyan proprietors in the SMEs is found in the food and service sector whereas the largest proportion of apprentices in garages, metal works and welding (Aboagye, 2004). Previous studies have shown that the time taken during apprenticeship in the Small and Medium Enterprise sector can last as long as three years in metal works and garages. The average age of Small and Medium Enterprise is less than six years. However, location and nature of activities determine the age of Small and Medium Enterprises. Nairobi and Mombasa have younger Small and Medium Enterprises than those in other towns and vice versa. This indicates that with time, entrepreneurs tend to move from smaller towns as they gain more capital and skill to Nairobi, Mombasa and other larger towns. The oldest Small and Medium Enterprises in Nairobi are salons and retail shops. During the early stages of businesses mortality is higher. The absence of entry barriers creates severe competition among young enterprises. As a result, many collapse. In Kenya, another key characteristic of Small and Medium Enterprises is that they are often sole proprietorship. Few businesses such as garages and metal work fabrication among others are partnerships. Sectors with higher entry costs such as retail shops, beauty salons, motor vehicle garages and metal fabrications earn higher income to entrepreneurs. According to Liedholm, Carl and Mead (1999) income from businesses is related to the educational attainment of the entrepreneur. Earning also tend to be higher in areas with close proximity to markets and cheap labour. On another note most Small and Medium Enterprises in Kenya operate from fixed locations.

Some however tend to move from place to place so as to avoid harassment from government agencies especially when requisite licences and documents are not in place. The vast majority of Small and Medium Enterprises in Kenya, numbering millions in number, operate in markets or in make-shift kiosks with the majority entrepreneurs being tenants. There is also a large portion of squatters. In various urban areas, informal food processing, woodwork and metal fabricating enterprises usually operate from make-shift shades. Government agencies-especially those dealing with land adjudication-often destroy these types of structures with the aim of uprooting them from these areas and for paving way for other forms of development. The temporary nature of most of these premises means that they can scarcely enjoy services such as water and electricity, which are difficult to supply in such environments.

SMEs in Kenya are over 5 million and employ more than 7 million people. They contribute close to 15% of the country's Gross Domestic product (GDP). One key characteristic of SME sector in Kenya is the fact it covers semi-organized and unregulated activities that are small in scale in terms of employment (Kenya Republic of Kenya, 2011a). It has also been noted in the report that self-employed persons largely carry out their activities with few employees in open markets, market stalls, developed and underdeveloped premises, in residential houses as well in street pavements among other places for lack of proper premises. Armed with this brief overview of Kenya's Small and Medium Enterprise sector it necessary to find out their significance in Kenya's economy.

RATIONALE FOR SME'S IN KENYA'S ECONOMY

Globally, governments are directing their energy on MSEs. There has been need for a paradigm shift on the approach to development globally. According to the White Paper on International Development (2000), former attempts to fast-track development through the creation of large enterprises and industries have failed to reach the desired goals of improving the lives of the general population to the desired extents. Currently, Small and medium enterprises are seen as panacea for even distribution of goods and services. They are also perceived as vital for the promotion of competition and innovation – essential ingredients for the growth of the private sector.

According to the Ministry of Planning, National Development & Vision 2030 (2007), the SME sector in Kenya has been known to bring myriads of people from low levels of the informal economy to the mainstream economy. As a result, the government of Kenya has endeavored to put in place ways of strengthening Small and Medium Enterprise for increased productivity and performance in a bid to attain vision 2030. It is believed that strong Small and Medium Enterprise are key foundation for tomorrow's industries.

One of the most notable roles played by Small and Medium Enterprises in Kenya is the provision of informal employment. As such, the number of Kenyans employed in this sector is more than those in the formal employment since the last decade. With the upsurge of rural-urban migration, the Small and Medium Enterprise sector provides a platform for unskilled persons from rural areas to acquire skills to etch a living in the increasingly competitive urban setup (Central Bank of Kenya, 2009). In the same accord, Small and Medium Enterprises play a crucial role in the provision of employment for the urban youth emanating from limited employment in the formal sector. It is worth noting that many young college graduates are devoid of specialized skill, owing to the conceptual nature of training in most of Kenya's vocational colleges. Such graduates hit the job market with little specialized skills essential for penetrating the flooded formal labor market.

Aboagye (2004) points out that the SME sector also plays pivotal roles in enhancing marketable skills among Kenyans. It enables young graduates acquire marketable skills that enable them work and gain direct employment. In a contrary opinion, McCormick and Ongile (1996) point out that most SMEs in Kenya require workers with skills that school leavers do not have. This means that the sector may not be the final solution to Kenya's staggering unemployment problems.

Still on the aspect of job creation, SMEs attract many skilled people who lose employment from the formal sector. Most of these employees take advantage of the limitations of the formal sectors to offer the same goods and services on better and more appealing terms (Aboagye, 2001). For those who cannot maintain or secure positions in the formal sector, the SMEs sector forms the second best choice. In Kenya, the main SMEs employing sectors include the garment industry which employs numerous casual workers. This is followed by the *Jua kali* sector. The famous *Jua Kali* absorbs many skilled workers in direct production. Translated directly from Swahili word for "hot-sun", the word *Jua Kali* has been used to describe blue color jobs especially those involving artisans such as mechanics and ironmongers. This is particularly so since they work under the hot-sun, outdoors or in makeshift buildings for lack of premises. With time, any form of self-employment has come to be termed *Jua Kali* (King, 1976). In response to this, the government of Kenya set-up the *Jua Kali* Development programme in 1988. For the past one decade or so, the majority of *Jua Kali* related SMEs in Kenya are found in sectors such the food and service sector, welding, metal work, garages as well as beauty-related businesses (Aboagye, 2001).

IMPEDIMENTS TOWARDS SME'S SUSTAINABILITY IN KENYA

It is expedient to find out with the SME sector is a bed of roses for entrepreneurs. SMEs in Kenya face numerous challenges. The main challenge facing SMEs in Kenya is that of negative perception. Many people perceive SMEs as lacking the capability to provide services to the required standards. Many people also feel that SMEs are not able to handle numerous projects at the same time (Amyx, 2005). This deprives many SMEs business opportunities since many investors prefer larger companies. SMEs are then left with the uphill task of building a name in an ever competitive environment. It is also usually difficult for smaller businesses to get established since they lack previous experience from which to learn from. The fact that most SMEs are sole proprietorship means that the vast majority of SMEs are faced with lack of planning, improper financing and poor management. This inclines the majority of SMEs to failure as pointed out by Longenecker et al. (2006).

In Kenya, SMEs are also faced with difficult in accessing credit. This is a major constraint since it means that many SMEs lack the much needed capital for growth and expansion (Kiiru, 1991). Lack of access to credit is caused by lack of tangible security. Furthermore, many financial institutions lack an inappropriate legal framework for lending to SMEs. Financial institutions see SMEs as high risk. They do not see their economic viability and tend to sideline them from mainstream funding opportunities. As such, very few SMEs are able to meet the rigorous requirements for funding from financial institutions.

Other main challenges facing SMEs in Kenya include: lack of definition in the institutional mandates, poor policies governing SMEs, outdated by-laws, unavailability of premises and, lack of access to credit, lack of coordination national mechanism among others. It is worth noting that access to financial resources is also made difficult by internal and external factors. Inherently, the vast majority of SMEs are faced with lack of creditworthiness. Extrinsically, they are perceived as insecure and unsustainable businesses that cannot handle credit facilities (Kinyanjui, 2006).

THE GOVERNMENT'S ROLE IN SME'S DEVELOPMENT

Governments play critical roles in the development of SMEs globally. With the rise and rise of the SMEs and the critical roles they play in the national economies, many governments have put in place strategies aimed at facilitating the development of SMEs. This has been much through the design of programmes to support SMEs. According to the Capital Markets Authority (2010) most of these strategies have been market driven. They include strategies such as the creation of stable macroeconomic conditions, liberalized of the economy and support of the establishment of micro-finance institutions which play vital roles in financing SMEs.

The government of Kenya undertakes various activities aimed at enhancing the development of SMEs in Kenya. One of the notable efforts undertaken by the government is the promotion of the *Jua kali* Sector in various urban centers. There have been concerted efforts towards the development of premises (shades) for persons working in the *Jua Kali* sector by the government of Kenya. The government has also been regularly reviewing its legislation so as to enhance registration of businesses (World Bank, 2007). Another measures used by the government of Kenya to enhance the development of the SME sector is restructuring the education system. There has been much focus on vocational training since the last decade. As such, the government has continued to promote the development of entrepreneurship training through legislation (Republic of Kenya, 2013).

Governments also attempt to enhance the development of SME addressing the local conditions that face them (Fischer et al, 1998). This is in a bid to acquire the benefits that accrue from them. These benefits include gross capital formation, promote technology adoption, improve management and market capacities and create of employment (Kinuthia, 2010). As such, encouraging the ability of such SMEs to penetrate the local market is of profound importance. As such, various

countries have put in place the right legislation so as to buttress the performance of SMEs. Still on the aspect of legislation, the government has endeavoured to reduce the number of days used to register businesses.

Furthermore, SMEs have to contend with the availability of markets (Kinaro, 2006). To this end, the size of markets is an important aspect to SMEs. Free markets have led to increased competition in products markets. As a result, SMEs are continuously finding themselves in stiff competition with larger firms which have a competitive edge on allocation and efficient use of resources (Dupasquier and Osakwe, 2005). The government has endeavoured to deal with this through the promotion of home-grown institutions and favourable tax regimes.

SMEs have come in handy in Kenya's economic recovery initiatives. In 2003, the government of Kenya started the Economic Recovery Strategy for Wealth and Employment Creation (ERSWEC). This was aimed at job creation among other objectives. Informed by the successes achieved from this initiative, the GDP of Kenya grew up to seven percent in 2007. This necessitated the establishment of Vision 2030. According to the Ministry of Planning, National Development and Vision 2030, one of the key pillars of this initiative is the economic pillar. This pillar creates an extensive framework for promoting SMEs which includes streamlining of the microfinance sector that mainly provides financial services to SMEs. In the same vein, the government also established the Youth Enterprise Fund. The aim of the fund was to provide start-up capital to youth led SMEs. At the same time, the government also established another fund, managed through Micro-credit firms for providing support to women enterprises (central bank of Kenya, 2009).

ARE SME'S RELEVANT OR NOT IN KENYA'S ECONOMIC DEVELOPMENT?

It goes without saying that SMEs are of great essence in Kenya. The importance of SMEs has been supported by various studies. Globally, SMEs play vital roles. Their overall importance is more in developing countries. As seen earlier in this paper, SMEs are essential to the creation of jobs. This is particularly for third world countries where employment is a major challenge. In these areas, SMEs fill a gap that is difficult for major industries.

In addition, SMEs are the foundation for the larger institutions of the future. In a country, that is mostly a consumer economy; SMEs are the hope for future local manufacturing of Kenya's goods. SMEs are also major contributors to capital growth and innovation. In the quest for the importance of the SME sector, one has to look at the relative contribution of SMEs in the economy. Talking about GDP, SMEs contribute significantly to the overall GDP of any country. With population explosion and the growing demand for infrastructure and other essential services, this contribution cannot be underestimated. In this light it is worth noting that some of the world's most successful nations started out through a rigorous SME sector. Some countries, such as Taiwan built their industrial base on rigorous SME sector (Palma, 2005).

In Colombia for example, it has been noted that SMEs saw narrowing of urban inequality through the extensive development of the SME sector. Furthermore, SMEs are known for the use of available technology. This is essential for the enhancement of innovativeness in developing countries. Furthermore, SMEs offer a lot of learning experiences that translate to the overall wealth of knowledge on entrepreneurial development in future. Furthermore, SMEs create a launching pad for future entrepreneurs.

As such, the argument on the importance of SMEs can be quickly won by the fact that they play vital role in the economy. But what can be done so as to enhance the performance of SMEs and reap the accrued benefits.

WAY FORWARD FOR SME'S

Whereas it is common knowledge that SMEs play vital roles in national development. The various challenges that beset SMEs means that the potential of such institutions is often not attained. Various solutions can be put in place so as to increase the performance of SMEs globally. One of the main ways is through training. Entrepreneurial training should be promoted in technical as well as in vocational institution. If this is done and closely followed up, enough skilled personnel that can actively play crucial role in the SME sector shall be developed. To this end, the government ought to invest seriously in this area. In addition, the government should continuously review all legislation that relates to vocational training so as to improve service delivery. Improved skills means that the quality of goods produced is augmented and can compete in the global market. Focus should also be put on developing the key skills of SMEs so as to enable them survive in the global market.

The needs of various sorts of SMEs are different. Skill levels differ from sector to sector. More often than not, training in Kenya is not need based; it is often blanket in nature-without focusing on prior identified needs. Various entrepreneurs should be trained separately in response to their unique needs. Local expertise should be incorporated in training so as to harvest from the deep wealth of knowledge developed in country.

Cost sharing should also be encouraged in Kenya. Key skills should be fostered in areas such as credit management and taxation among others. Production of goods and services of high quality should be given more focus. Training should also be brought close to the entrepreneurs and possibly through field officers.

Another notable way of enhancing the performance of SMEs in Kenya is availing credit facilities. This can be through provision of low interest rates loans to small scale traders. The government ought to put in place funding schemes that can enhance the availability of funds to entrepreneurs at affordable prices. In the same accord, the government should factor in funding for SMEs during national budgets and take meticulous action to prevent poor utilization of such funds. The government should also put in place methods for ensuring ease in credit access. The tight policies should be removed so as to enable the informal sector entrepreneurs access the services, such as registration, licenses as well as credit access. The rampant state supervised harassment of entrepreneurs especially those without proper working premises should also be done away with.

Rigorous sharing of information to SMEs should also be put in place. Usually, the vast majority of SMEs lack the relevant information that would accord them competitive edge in the market. Information on market information should be provided so as to enable SMEs grow and gain competitiveness. In the same vein SMEs should be accorded legal advice so as to be able to handle suits and business transactions. SMEs should also be encouraged to form associations for jointly addressing issues that beset them.

Networking should be encouraged between SMEs so as to enhance their competitiveness. Networking would grant SMEs benefits enjoyed by larger enterprises such as higher bargaining power and greater joint production. SMEs can also network with larger institutions so as to secure market for their goods. Larger companies often seek to network with smaller institutions through sub-contracting. Furthermore, the government should work closely with SMEs so as to augment productivity. Promotion of export by governments would enable SMEs to perfect production and garner higher segments of the local and export markets.

Lastly, governments should put in place ways for cushioning local SMEs from competition from imports which usually flood the local market with cheap products. To this end, the government should put in place levies such as higher taxation on imports and high trade tariffs. Local suppliers should be encouraged to produce and supply product cheaply to the local productive document in stakeholders. The government, should also provide the same support it accords the formal sector. It is expedient to provide SMEs with the relevant technical assistance so as to have the prerequisite experience for dealing with the increasingly competitive world.

CONCLUSION AND RECOMMENDATION

From the preceding discourse, it is clear that SMEs play important socio-economic importance roles in any economy and form the bulk of all businesses in developing nations. It is thus essential to promote SMEs and their performance. One of the main roles played by SMEs is the creation of employment. Employment is created not only for the poor rural urban migrants but also for women, persons who lose employment or those going to self employment. The higher the entry cost and capital needs of SMEs, the greater their profitability. As such the presence of credit would buttress the profitability of SMEs in Kenya. It is also important to note that the vast majority of SMEs operate in makeshift premises, in residential houses, in residential houses as well in street pavements among other places. This means that there is need for governments to build premises and other infrastructure that would enable SMEs to operate with ease. SMEs are perceived as some of the main ways of spurring economic growth in Kenya and their role is recognized in Kenya's Vision 2030. SMEs also play critical roles in enhancing the attainment of informal employment. But even with the Knowledge of their importance, SMEs in Kenya face numerous challenges that

hinder their success and survival. They face severe competition and insecure operating places which are devoid of essential services such as water and electricity.

Whereas former attempts to fast track development through the creation of large enterprises and industries has failed to reach the desired goals of improving the lives of the general population, SMEs are seen as panacea for even distribution of goods and services. They are also perceived as vital for the promotion of competition and innovation – essential ingredients for the growth of the private sector. SMEs also play crucial roles in equipping young graduates with skills that can enable them survive in the competitive job market. SMEs also contribute immensely to the GDP.

Despite the fact that SMEs are important in the economy, they are beset with numerous challenges. These include negative perception and less preference from investors. They face insurmountable difficult in securing credit. The government should thus promote microcredit institutions for increased availability of credit. Proper legislation should be put in place so as to enable SMEs so as to enable establishment of SMEs easy. The government should promote vocational training and other forms of training that enhance skills development in SMEs. Information sharing and networking could also enable faster growth of SMEs. Since SMEs play vital role in the development of a country's economy, there is need to constantly study the changing environment under which SMEs operate and to offer solutions to that would secure the continued performance of Small and medium enterprises(SMEs).

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**ASSESSING PRODUCT SUSTAINABILITY, CUSTOMER LOYALTY AND SATISFACTION WITH XYZ
TELECOMMUNICATION AMONG UNDERGRADUATE STUDENTS IN GHANA: THE CASE STUDY OF
UNIVERSITY FOR DEVELOPMENT STUDIES, WA CAMPUS**

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ABSTRACT

Recently, there is increasing number of telecommunication service providers in the country. As a result, Government of Ghana has created a unit in its agencies which is the National Communication Authority (NCA) to ensure that the operation of the services are safe and promotes development in the country. It is often common among subscribers complaining of unsatisfactory services making them indifferent regarding which network to use leading to multi-SIM card usage on the premise that any of the networks can "disappoint at any time" (Field survey, 2012). The research therefore, created a literature on customers' (UDS students, Wa Campus) satisfaction, product sustainability and loyalty with XYZ products and services. The findings will facilitate or augment operations in XYZ company, other telecommunication companies within the industry and small and medium scale enterprises. It will also serve as a guide to researchers and service providers more especially XYZ on the following areas as some of the objectives: Discovering products and services that the company offers to its customers and their Sustainability, Subscribers' satisfaction and loyalty with XYZ products and services, marketing strategies and mechanisms that the company uses to satisfy and maintain customers. Data Collection Instruments employed were questionnaires, observation, structured and semi-structured interviews to collect data. The researchers made use of sampling techniques specifically: snowballing, accidental, and purposive. The research revealed that, majority of XYZ subscribers is satisfied. The research has come to a conclusion that XYZ offers varieties of products and services to its valued customers with which majority is satisfied and loyal. Empirical results as indicated by the research are that, XYZ products and services are rated as 3 by majority of respondents on a 5 point scale. The company employs a lot of marketing strategies to keep itself operational. One of the major recommendations is that, XYZ should improve upon their services to win and maintain more customers.

KEYWORDS

Customers, Satisfaction, Loyalty, Products and Services, Profit, Market Share.

INTRODUCTION

DESCRIPTION OF TELEPHONE SERVICE PROVIDERS IN GHANA

In December 1995, ABC was awarded the first national license to operate and maintain 900 Global System for Mobile communications (GSM) network in Ghana. In 1996, ABC started covering all major cities in Ghana, i.e. Accra, Tema, Kumasi, Takoradi, as well as the major mining cites like Obuasi and Bibiani. After one year of rebranding ABC to XYZ in Ghana the organization focused on consolidating its position as the leader in the market and to fulfill its commitment of bringing world class telecommunication service in Ghana.

In this regard, XYZ has invested much in network expansion initiative meant to enhance speech quality, improve coverage intensity and to extend coverage to new areas. XYZ has integrated mobile telecommunication into the development of a brand that has become a lifestyle. XYZ Ghana acknowledges its responsibility towards its stakeholders to sustain long-term mutual value. Moreover, XYZ, has established a very good relationship with the Government and community groups to enable them to work together to achieve profitability. XYZ Ghana has established various foundations which is driving its Corporate Social Responsibility programs. XYZ Ghana was one of the leading mobile service delivery in Ghana with big market share in 2008 to 2010 (Field survey, 2012).

XYZ Ghana recently launched its 3.5G technology in Ghana that will put XYZ Ghana at the forefront of technology and in the league of top mobile service provider globally. The 3.5G is the generic term used for the next generation of mobile communications system that supports the effective delivery of a range of data-orientated services. This technology also provides more efficient system for the transmission of existing service such as voice, text, and data, supporting far greater speed than what is available today. (Field survey, 2012).

Company XYZ offers a variety of unique services for subscribers' mobile phone and data packages to ensure that subscribers never stay out of touch. The functionality for subscribers' mobile phone has expanded, with services such as Mobile Banking, Mobile TV etc. being introduced. Among other products and services, include the following: **XYZ BlackBerry** is a wireless communication tool designed especially for mobile professionals with high communication needs. **XYZ Banking:** "Making clients life so much easier, XYZ offers a host of money, banking and airtime top up solutions, keeping clients on the move, wherever clients may be, and wherever clients may go!" **XYZ Electronic Voucher Distribution (EVD):** XYZ EVD allows vendors to sell airtime via their cell phones, making airtime Top Up quick and convenient. **XYZ Mobile TV:** Transform subscribers' mobile phone into a mobile television.

XYZ Me2U: This is a unique product offer allowing subscribers to send and receive airtime to or from each other. **XYZ Caller Tunez:** XYZ Caller Tunez allows subscribers to select a tune, sound byte or jingle that will be played instead of the conventional 'ring' tone. **XYZ Zone:** Innovative price plan that offers variable discounts on XYZ -to-XYZ calls depending on the time of day and location. **GPRS Roaming:** This enables clients to stay constantly with their family, friends and business associates while they are away from the country. **XYZ Mobile Broadband:** This surfs the internet on the 3.5G network at super fast speed and experience a world of information at subscriber's fingertips. **XYZ Video calling:** This enables you to enjoy the thrill of face-to-face conversation in real-time wherever you are. **Call management service:** This has enabled customers to be boss of their calls by hiding their numbers when they make calls, divert calls and prevent some particular numbers from calling them.

The major problem for this study is that, many telecommunications exist in the country among which are Vodafone, Tigo, MTN, XYZ, Airtel, Kasapa and other upcoming networks like Glo. Mobile telecommunication service provision is increasingly becoming a lucrative business venture making competition very keen (team survey). XYZ is indeed one of the market leaders in the increasingly competitive mobile telecommunication industry. It is often common among subscribers complaining of unsatisfactory services making them indifferent regarding which network to use leading to multi-SIM card usage. This has culminated to multi-SIM card usage on the premise that any of the networks can "disappoint at any time (Field survey, 2012).

It is against this background that the research seeks to assess product sustainability, customers' loyalty and satisfaction with XYZ products and services among UDS students (Wa Campus, Ghana). In order to ascertain accurate information on the topic, the researchers made use of the following objectives and research questions:

1. To identify the various products and services that the XYZ company offers to its customers.
2. To examine the sustainability of the company's products and services.
3. To examine the extent of subscribers satisfaction and loyalty with their products and services.
4. To identify XYZ customers' most preferred product(s) or service(s)

The research questions however, include the following:

1. What products and services does XYZ telecommunication provide to its subscribers?
2. How sustainable are the products and services offered to customers?
3. Are customers satisfied and loyal to XYZ services and products?
4. What XYZ product or service is/are most preferred?

This study is significant for several reasons. Thus:

- Marketing concept which places the customer at the centre stage of business regarding their satisfaction justifies this research.
- This research will become a document that can serve as a guide for the XYZ corporate service to improve on its services as well as other company, especially, firms within the same industry.
- The information will serve as a good foundation for further research and improvement, i.e. encouraging other researchers to investigate similar concept.
- It will enhance teaching and learning in schools, colleges and universities.
- The findings will facilitate or augment operations in small and medium scale enterprises (SMEs) i.e. findings from this research will provide ideas and skills that will assist entrepreneurs to operate effectively and efficiently.

DESCRIPTION OF TELEPHONE SERVICE PROVIDERS IN GHANA

Telecommunication service providers in Ghana over the years have increased from three to six in the last ten years. Most of the service providers in the mobile telecom industry, particularly the GSM service providers are all multi-national companies. It has been revealed that the main reasons of their coming to Ghana is either a complete buy out of local interest or they go in for a foreign-local partnership in which they are going to be the majority share holders (National Telecommunication Policy, Republic of Ghana: www.nca.org.gh).

Currently, six active service providers that operate in Ghana are as follows: Vodafone (Ghana Telecom), Mobile Telecommunication Network (MTN), Tigo Ghana, Airtel Ghana, Kasapa Ghana (now Expresso), and GLO (Field survey, 2012). Investcom bought 98% of Scandcom and changed its name from Areeba to MTN; Airtel Ghana bought Western Telesystem Limited (WESTEL); Vodafone international now holds 70% share of Ghana Telecom while the government of Ghana holds 30%; Millicom International Cellular SA rebranded Mobitel/Buzz to Tigo and Celtel Ghana now known as Expresso. Globacom Ghana (GLO) is the only Foreign Service providers that obtained a direct license from the National Communication Authority.

The Total Cellular/Mobile Voice Subscriber Base in Ghana as at November, 2012 stood at 25,344,745. MTN had a marginal increase and maintained its position as the market leader with a subscriber base of 11,615,801 representing 45.33% of total market share. Vodafone's subscriber base increased to 5,175,377 which represent 20.20% of total market share. Tigo had a marginal subscriber base decrease, closing at 3,673,934 which represents 14.34% of the market while Airtel increased its subscriber base to 3,132,615 representing 12.23% of the total market share. GLO decreased its subscriber base; its current subscriber base of 1,578,446 represents 6.16% of the total market share. Expresso though, decreased its subscriber base to 168,572, the 168,572 represents 0.66% of the total market share.

Ghana now has six Telecommunications companies operating in the country's telecom sector. Companies like MTN, Vodafone and Tigo who changed ownership over the years still maintain the top spots in the market share index with stiff competition. Companies like Airtel, Espresso and Glo have not been doing so well in the stiff competition that exists in the market. All three together share less than 20% of the market share. See fig. 1.

FIG. 1: DISPLAY OF STATISTICS OF CELLULAR MOBILE VOICE MARKET SHARE AS AT NOVEMBER, 2012



Source: National Telecommunication Policy (Republic of Ghana 10/01/2005) and (www.nca.org.gh)

LICENSING

The National Communication Authority (NCA) is the only institution mandated by the Government to give license to prospective telecommunication firms wanting to operate in Ghana. The main reasons for the licenses are to check unauthorized firms operating without the knowledge of the Government. The

license is done in an open, non-discriminatory manner, and transparent for each party to be satisfied. The NCA in consultations with the ministry of Communication determines the application criteria, procedures and terms of conditions associated with the license. The NCA has the right to withdraw the license of firms. License fees are determined by the NCA in consultation with the Communication's Ministries. Licenses for Mobile phone service providers are based on the usage of the national resources like the electromagnetic spectrum (National Telecommunication Policy: Republic of Ghana, 10/01/2005 p15., www.nca.org.gh).

COMPETITION POLICY

The NCA has the competition policy in place to make sure there is fair, transparent and non-discriminatory telecommunication market environment. In every society where there are more than one firm operating in the same field there is always competitions among them and one will be better than the other. In the telecommunication sector of Ghana there are six active different service providers that operate in the country. The policy is to ensure that these service providers work in harmony with each other. The NCA has the mandate to determine specific procedures, rules, regulation and administrative structures to ensure the competitiveness of this policy. The policy makes sure that small and big service providers are all treated in an equal and fair manner (National Communication Authority (Republic of Ghana 10/01/2005 p17, www.nca.org.gh).

ROLE OF GHANA GOVERNMENT

The Government of Ghana has a very important role in playing on how telecommunication and other business group go about their business in the country. Though most telecommunication firms are owned by private investors like XYZ, there are rules and regulations they must follow to make work easier and create a very good working environment for other potential investors. The Government has to make sure there is equal level field for competitions among various telecommunication service providers (National Telecommunication Policy; Republic of Ghana p13, www.nca.org.gh).

Marketing strategy is defined as a process that can allow an organization to concentrate its limited resources on the greatest opportunities to increase sales and achieve a sustainable competitive advantage (http://en.wikipedia.org/wiki/Marketing_strategy)

With regard to XYZ, multiple marketing strategies are employed to keep the industry operational.

CUSTOMER PROTECTION STRATEGIES

Companies need to know the factors that lead to satisfaction or dissatisfaction factors of a product with their existing and past customers to define future plans for operation and marketing. Getting a real insight about the customer views on XYZ products or services requires efficient and in-depth market research covering all aspects of general customer behavior attributes. XYZ Company conducts personal interviews, suggestion surveys, feedback forums etc. to gain the customer behaviour for the product and the company (Field Survey, 2012).

COMPANY XYZ AND CUSTOMER FEEDBACK

XYZ company, either directly or through a consultancy firm involves in understanding the customer behaviour which decides the success of their product offerings. It conducts personal cross-section interviews with current customers, previous customers and prospective customers to arrive at the vital reasons and facts on the part of the firm in providing customer satisfaction. This feedback helps the company in rebuilding their operational strategies and marketing techniques by improving service standards, delivery systems and payment terms and methods (Field Survey, 2012).

BUILDING CUSTOMER SATISFACTION

Customers have become quality conscious and companies have started quality control programs in their manufacturing and retailing operations. The products offered need to meet the expectations of the customer. In certain cases of relationship marketing, XYZ Company tries to overwhelm the customers with so much importance that they do not think of going for a competitive product. In the competitive business environment, a business transaction does not end with a sale. The company tries to constantly update the customers regarding new product offerings and discounts to the privileged customers. Customers are the king, understanding their expectations and behavioral patterns is the key to business success (Kotler & Keller, 2006).

ORGANIZATIONAL DEVELOPMENT

Organization Development (OD) is a planned, organization-wide effort to increase an organization's effectiveness and viability. Warren (n.d), has referred to OD as a response to change, a complex educational strategy intended to change the beliefs, attitudes, values, and structure of organization so that they can better adapt to new technologies, marketing and challenges, and the dizzying rate of change itself. OD is neither "anything done to better an organization" nor is it "the training function of the organization"; it is a particular kind of change process designed to bring about a particular kind of end result. XYZ adopts OD by involving interventions in the organization's "processes," using behavioural science knowledge as well as organizational reflection, system improvement, planning, and self-analysis.

Kurt (1898–1947) is widely recognized as the founding father of OD, although he died before the concept became current in the mid-1950s. From Lewin, came the ideas of group dynamics and action research which underpin the basic OD process as well as providing its collaborative consultant/client ethos. The XYZ Ghana relates this approach by placing the customer at the center of its planning process. All these concepts are paramount to this study. The customers' satisfaction has great positive impact on the development of organizations, especially, company XYZ. (Field Survey, 2012).

PRODUCT INNOVATION

The XYZ's "Can Do spirit" and culture of innovation focuses on staying in touch with the needs of their markets, and developing customized solutions. Example of their initiatives over 2009 includes:

- XYZ Mobile Money: This enables subscribers to send money to family and friends or pay utility bills using a secure, easy and fast service. Electronic money reduces time and distance, and reduces the pressure on people to operate bank accounts or travel to financial institutions. An innovative price plan is another example of XYZ product innovation strategies which enables clients to make call at various rates depending on the time of the day and location. This was formally in percentages but currently in monetary unit.

AESTHETICS AND ITS INFLUENCE ON XYZ PRODUCTS, SERVICES AND CUSTOMERS

According to Lamberton and Minor-Evans (2002), aesthetics and creativity is your ability to come up with new and useful ideas. Simply put, it is thinking up new and useful ideas. They further stated that business factors such as the number and quality of products created are affected strongly by the aesthetics (beauty), creativity or innovation of the people in an organization. This idea was supported by Certo (2006), Belch and Belch (1998), Guerrillas (2007), Runco (2004), Feldman, (1999), and McLaren, (1999).

Kotler and Keller (2006), indicated that, instead of "product-centered" business has shifted to a "customer-centered" philosophy. This means that, the satisfaction of the consumers has now become one of the means through which an organization could survive. Again, they said that product life cycle (PLC) is a model or concept that helps marketers interpret a product and market dynamics. It can be used for planning and control as well as useful as forecasting tool. This idea was supported by Gordon in Akindipe (2007).

Deducing from the above, researchers are of the view that, to maintain an effective product mix, a firm just has to modify its existing products or introduce new ones. This is known as innovation and aesthetics which affect the taste and preferences of customers to be attracted, satisfied and in future can lead to customer loyalty. The products, activities and services can range from the type, features and model of mobile phones, operational systems, types of services

rendered, caliber of people rendering the services, promotional activities, etc. which are affected partially by aesthetics and psychology. Stanton (1988), expressed a similar view. The researchers deduced, psychologically, an obsolete product could be modified to satisfy the needs of its users more than ever before.

Warren (1990), has pointed out that, during the past several decades the study of these processes in Africa has provided stimulation for future thought, research, and contention, and has resulted in fruitful interactions and collaborations between social scientists, art historians and aestheticians. The World Book Encyclopaedia (2001), and the New Encyclopaedia (2003), claim that Aesthetics is a branch of philosophy, species of value theory or axiology, which is the study of sensory or sensory-emotional values, sometimes called judgments of sentiment and taste. Aesthetics is closely associated with the philosophy of art. Today the word "aesthetics" may mean (1) the study of the aesthetic (all the aesthetic phenomena), (2) the study of perception (of such phenomena), (3), the study of art (as a specific expression of what is perceived as aesthetic). This Idea was supported by Ross (1982), Haggard (1962), Wilson (1971), Hospers (1969), Amenuke et al (1993), and Adu-Agyem (1990). In brief, Adu-Agyem (1990), and Amenuke et al (1993), added that, aesthetics deals with individual's senses of perception, which inspires creativity and innovation, reaction to beautiful objects, events, ideas and so on. All the philosophies and concepts are related to this study. Customers react in diverse ways towards a company's products and services depending on its operational strategies, which is also partly influenced by aesthetic theories.

Jessup and Rader (1976) classify the scope of aesthetic experience into the enjoyment of nature or natural phenomena, the making and appreciation of whatever is beyond practical and intellectual needs of the things and affairs of daily living, and the production and appreciation of fine arts. This concept was supported by Gardner (1982).

Therefore, in summary, the term 'aesthetics' concerns our senses and our responses to an object. If something is aesthetically pleasing, it is 'pleasurable' and one likes it. If it is aesthetically displeasing, it is 'displeasurable' and one does not like it. But Coetzee and Roux (1998), expressed divergent view, that, "African aesthetic standards are different from the "accepted" standards of uniqueness and individuality; that African works of art, be they visual, musical, kinetic, or poetic are created as an answer to a problem and serve some practical end. This idea was supported by Okeke (1982). Okeke added that "The artist is responsible to society. Hence, Africa artists are held in high esteem by the society because they supply those design needs as are vital to their spiritual and physical well-being", (Okeke, P. 62), Gyekye (1996) expressed similar view. This philosophy is relevant to this publication. Ghanaians, as Africans are always conscious of their aesthetic theories such as formalism, emotionalism, imitationalism, contextualism and cultural values hence leading them in their choices of goods or products and services from companies. XYZ can satisfy, maintain and maximize market shares by studying the culture and tradition of its valuable customers.

INTEGRATED MARKETING COMMUNICATION (IMC)

According to Belch & Belch (1998), integrated marketing communications (IMC) is a process for managing customer relationships that drive brand value primarily through communication efforts. Such efforts often include cross-functional processes that create and nourish profitable relationships with XYZ customers and other stake-holders by strategically controlling or influencing all messages sent to these groups and encouraging data-driven, purposeful dialog with them. The authors further stipulated that, IMC includes the coordination and integration of all marketing communication tools, avenues, and sources within a company into a seamless program in order to maximize the impact on end users at a minimal cost. This integration affects all firms' business-to-business, marketing channel, customer-focused, and internally directed communications. (Influenced by Integrated Marketing Communications by Schultz, Tannenbaum, and Lauterbor).

IMC COMPONENTS AND THEIR IMPORTANCE IN BUSINESS

- The Foundation - corporate image and brand management; buyer behavior; promotions opportunity analysis.
- Advertising Tools - advertising management, advertising design: theoretical frameworks and types of appeals; advertising design: message strategies and executional frameworks; advertising media selection. Advertising also reinforces brand and firm image.
- Promotional Tools - trade promotions; consumer promotions; personal selling, database marketing, and customer relations management; public relations and sponsorship programs.
- Integration Tools - Internet Marketing; IMC for small business and entrepreneurial ventures; evaluating and integrated marketing program. (Influenced by Integrated Marketing Communications by Schultz, Tannenbaum, and Lauterbor).

MARKETING MIX COMPONENT

The Internet has changed the way business is done in the current world. The variables of segmentation, targeting and positioning are addressed differently. The way new products and services are marketed have changed even though the aim of business in bringing economic and social values remain unchanged. Indeed, the bottom line of increasing revenue and profit are still the same. Marketing has evolved to more of connectedness, due to the new characteristics brought in by the Internet. Marketing was once seen as a one way, with firms broadcasting their offerings and value proposition. Now it is seen more and more as a conversation between marketers and customers. Marketing efforts incorporate the Marketing Mix (Product, Place, Price, Promotion, People, Processes and Physical Evidence (Kotler & Keller, 2006). Promotion is one of the elements of marketing mixes embraced by XYZ Company. Promotional activities include advertising (by using different media), sales promotion e.g. XYZ promotes phones with free airtime, and personal selling activities, XYZ sales boys and girls moving about with XYZ phones, sim cards, modems etc (these fall under "Product" of the Marketing Mix). It also includes internet marketing and sponsorship marketing. For example, XYZ Ghana has sponsored a lot of events and programs such as football. Integration of all these promotional tools, along with other components of marketing mix, is a way to gain an edge over a competitor (Kotler & Keller). The starting point of the IMC process is the marketing mix that includes different types of marketing, advertising, and sales efforts. Without a complete IMC plan there is no integration or harmony between client and customers. The goal of an organization is to create and maintain communication throughout its own employees and throughout its customers.

Integrated marketing is based on a master marketing plan. This plan should coordinate efforts in all components of the marketing mix. A marketing plan consists of Situation analysis, Marketing objectives, Marketing budget and Implementation as proposed by Kotler and Keller and supported by (http://en.wikipedia.org/wiki/marketing_mix).

Integrated marketing communication aims to ensure the right and consistency of message and the complementary use of media. The concept includes "online and offline marketing channels" which are employed by the XYZ Company. A company develops its integrated marketing communication programmer using all the elements of the marketing mix (product, price, place, and promotion). Integrated marketing communications plans are vital to achieving success. The reasons for their importance begin with the explosion of information technologies. Channel power has shifted from manufacturers to retailers to consumers (Clow, et al 2007). Using outside-in thinking, Integrated Marketing Communications is a data-driven approach that focuses on identifying consumer insights and developing a strategy with the right (online and offline combination) channels to forge a stronger brand-consumer relationship. This involves knowing the right touch points to use to reach consumers and understanding how and where they consume different types of media. Regression analysis and customer lifetime value are key data elements in this approach.

THE 7 P's VURSES 4 C's

Kotler and Keller stated that, businesses are to understand what the consumer's wants and needs are. Thus, attention has now shifted and focused more on customized marketing. Times have changed and businesses can no longer sell whatever they can make. To achieve these effectively, they proposed the following:

NOT PRODUCT, BUT CONSUMER

The product characteristics have to match the specifics of what someone wants to buy. And part of what the consumer is buying is the personal "buying experience."

NOT PRICE, BUT COST

Understand the consumer's cost to satisfy the want or need. The product price may be only one part of the consumer's cost structure. Often it is the cost of time to drive somewhere, the cost of conscience of what you buy the cost of guilt for not treating the kids, etc.

NOT PLACE, BUT CONVENIENCE

As above, turn the standard logic around. Think convenience of the buying experience and then relate that to a delivery mechanism. Consider all possible definitions of "convenience" as it relates to satisfying the consumer's wants and needs. Convenience may include aspects of the physical or virtual location, access ease, transaction service time, and hours of availability.

NOT PROMOTION, BUT COMMUNICATION

Many media work together to present a unified message with a feedback mechanism to make the communication two-way. Non-traditional media, such as word of mouth and how it can influence the business position in the consumer's mind is very imperative. How many ways can a customer hear (or see) the same message through the course of the day, each message reinforcing the earlier images is a necessity to promoting business.

The other three Ps were developed by Booms and Bitner (n.d). The extended marketing mix of Booms and Bitner is a marketing strategy tool that expands the number of controllable variables from the four (4) originally mixed model to seven (7). The traditional marketing mix model was primarily directed and useful for tangible products for example, in the case of XYZ, black berry product, modem, and promotion phones. The 7Ps model is more useful for services industries of which XYZ is not exclusive and arguably also for knowledge-intensive environment. The three additional Ps are:

- **PEOPLE:** all people directly or indirectly involve in the consumption of a service are an important part of the extended marketing mix. Knowledge workers, employees, management and other consumers often add significant value to the total product or service offered like XYZ Mobile Money service.
- **PROCESS:** procedure, mechanisms and flow of activities by which services are consumed (customer management processes) are essential elements of the marketing strategy. The XYZ Company follows a strategic process to get its products and services consumed by its subscribers through the marketing mix components.
- **PHYSICAL EVIDENCE:** the ability and environment in which the service is delivered, both tangible goods that help to communicate and perform the services (e.g. XYZ internet service) and intangible experience of existing customers and the ability of the business to relay that customer satisfaction to potential customers.

This model was supported by Nirmalya; marketing and strategy, understanding CEOs agenda for driving growth and innovation. David; Strategic Marketing Management. Retrieved 20th April, 2012 from www.valuebasedmanagement.net/methods_booms_bitner_7ps.html

PROMOTIONS OPPORTUNITY ANALYSIS

Strokes (2008), stressed that, a major task that guides the way in creating an effective Integrated Marketing Communications plan is the promotions opportunity analysis. A promotion opportunity analysis is the process marketers use to identify target audiences for a company's goods and services and the communication strategies needed to reach these audiences. A message sent by a marketer has a greater likelihood of achieving the intended results if the marketer has performed a good analysis and possesses accurate information pertaining to the target audience. The author further stipulated that, there are four steps in developing a promotion opportunity analysis:

COMMUNICATION MARKET ANALYSIS

This analysis covers the following: Competitors, opportunities, target market, customers, and product positioning.

Establish communication objectives include: Develop brand awareness, increase category demand, change customer belief or attitude, enhance purchase actions, encourage repeat purchases, build customer traffic, enhance firm image, increase market share, increase sales and reinforce purchase decisions.

Create Communications Budget: Several factors influence the relationship between expenditures on promotions and sales. Such factors include: The goal of the promotion, wear-out effects, threshold effects, decay effects, random events, and carryover effects match tactics with strategies and prepare promotional strategies.

Throughout these steps, marketers of XYZ products and services should consistently review and analyze the actions and tools that major competitors are utilizing.

RELATIONSHIP MARKETING

This term was first defined as a form of marketing developed from direct response marketing campaigns which emphasizes customer retention and satisfaction, rather than a dominant focus on sales transactions (en.wikipedia.org/wiki/relationship_marketing)

As a practice, relationship marketing differs from the forms of marketing in that it recognizes the long term value of customer relationships and extends communication beyond intrusive advertising and sales promotional messages. With the growth of internet and mobile platforms like XYZ internet services, relationship marketing has continued to evolve and move forward as technology opens more collaborative and social communication channels. The overall goals of relationship marketing are to find, attract and win new clients, nurture and retain those the company already has, entice former clients back into the fold, and reduce the cost of marketing and client service as practiced in XYZ Company. Relationship marketing nowadays, denotes a company-wide business strategy embracing all client-facing departments like XYZ customer care unit, and XYZ marketing department and even beyond. When an implementation is effective; people, processes, and technology including the other components of the marketing mix works in synergy to increase profitability, and reduce operational costs (en.wikipedia.org/wiki/relationship_marketing).

MATERIALS AND METHODS

The researchers employed the qualitative descriptive and case study methods to find out subscribers satisfaction with the XYZ products and services. Techniques such as structured and semi-structured interviews as well as questionnaires and observations were used to collect data for the study. The research also relied on secondary sources for literature on the topic from textbooks, internet, news papers, XYZ main office, Wa branch and any other relevant documents that were useful to the study. The research made use of sampling techniques, specifically: snowballing, accidental, and purposive. However, the research limited the sample size to 350 students. The findings of this research were analyzed using both quantitative and qualitative methods. The data analysis focused on XYZ products and services, the sustainability of XYZ products and services, subscribers' satisfaction with the XYZ products and services. It also focused on subscribers' loyalty to XYZ, the kinds of marketing strategies and mechanisms put in place to satisfy and maintain customers, and customers most preferred product/ service.

The research however, limited itself to subscribers' satisfaction with the XYZ products and services among UDS students, Wa campus. The research specifically covered 2012/2013 academic year during which data were collected and analyzed. Table 1 to 6 is the summary of respondents and methodology obtained from the questionnaires retrieved.

TABLE 1: LEVEL 100

SEX	RESIDENCE		TOTAL	FACULTY		
	TOWN	HALL		FIDS	FELBS	FPLM
MALE	46	1	47	6	32	9
FEMALE	20	9	29	11	14	4
TOTAL	66	10	76	17	46	13

(Source: Field Survey, 2012)

TABLE 2: LEVEL 200

SEX	RESIDENCE		TOTAL	FACULTY		
	TOWN	HALL		FIDS	FELBS	FPLM
MALE	39	7	46	26	7	13
FEMALE	20	16	36	10	14	12
TOTAL	59	23	82	36	21	25

(Source: Field Survey, 2012)

TABLE 3: LEVEL 300

SEX	RESIDENCE		TOTAL	FACULTY		
	TOWN	HALL		FIDS	FELBS	FPLM
MALE	38	2	40	30	1	9
FEMALE	16	3	19	8	4	7
TOTAL	54	5	59	38	5	16

(Source: Field Survey, 2012)

TABLE 4: LEVEL 400

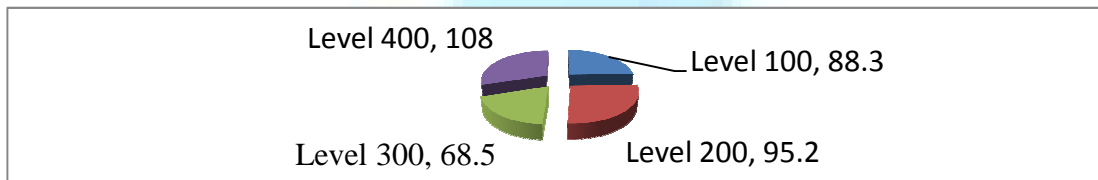
SEX	RESIDENCE		TOTAL	FACULTY		
	TOWN	HALL		FIDS	FELBS	FPLM
MALE	71	2	73	73	-	-
FEMALE	19	1	20	20	-	-
TOTAL	90	3	93	93	-	-

(Source: Field Survey, 2012)

TABLE 5: RESPONDENTS OF VARIOUS LEVELS IN DEGREES

LEVEL 100	LEVEL 200	LEVEL 300	LEVEL 400
88.3°	95.2°	68.5°	108°

FIG. 2: PIE CHART DEPICTING LEVELS OF RESPONDENTS IN DEGREES



In terms of residential status, the students are both in town and campus halls. According to the service providers, quality of service for instance XYZ zone varies in location and time of the day.

TABLE 6: RESPONDENTS RESIDENT IN TOWN AND HALLS

LEVEL	HALL	%	TOWN	%	TOTAL %
100	10	13.2	66	86.8	100
200	23	28	59	72	100
300	5	8.5	54	91.5	100
400	3	3.2	90	96.8	100
TOTAL	41	13.2	269	86.8	100

(Source: Field Survey, March 2012)

Table 6 shows that 13.2% representing 41 respondents stay in halls and the remaining 86.8% representing 269 are in town.

FIG 3: RESPONDENTS IN HALL, AND RESPONDENTS IN TOWN



RESULTS AND DISCUSSION

BACKGROUND OF ANALYSIS

The researchers administered 350 copies of questionnaire to respondents of which 310 were retrieved. In this section, the researchers discovered, analysed and discussed Customers satisfaction with XYZ Products and Services. Various analytical techniques; bar chart, tables and pie charts were used for the analysis of the data gathered.

IDENTIFICATION OF XYZ PRODUCTS AND SERVICES

The research revealed that XYZ provides the following products and services; XYZ mobile money, Phone back up, Credit transfer, Pay 4me, XYZ zone, Conference call, Me 2u,P lease call me, Family and friends, Negative balance service, Caller tunez , Customer help line, Internet services, Voice mail and Promotion phone.

However, literature reviewed revealed that, there were other services which either were known by respondents but was not listed or unknown to them. These products and services include:

1. XYZ video calling
2. Black berry product
3. call management services like:
 - call divert
 - call barring and
 - hide number

The implication of the above analysis was that XYZ has not been able to market all their products and services and therefore, are entreated to raise the awareness level of its subscribers.

SUSTAINABILITY OF XYZ PRODUCTS AND SERVICES

In terms of sustainability, the research sought to analyze whether XYZ products and services usually reflect the content and whether they are durable.

CONTENT OF XYZ PRODUCT AND SERVICES

In the research, 58% representing 180 respondents who were XYZ subscribers confirmed that the package of XYZ products and services reflect the content as against 42% representing 130 respondents who opted for the fact that products and services do not reflect the content. The major reasons advanced for the products reflecting and not reflecting content are:

- "I get network most often"
- "I enjoy low call charges (pesewas) most at times"
- "Deceptive bonus on reloads promotion"
- "XYZ zone is deceptive"
- "Promotion through short code text messages are deceiving"
- "The charge per minute is at times not true"

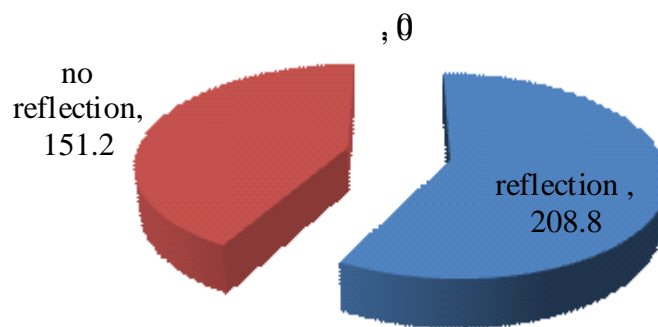
From the analysis above, the XYZ products and services reflects content however, there is still room for improvement since consumers' are not totally satisfied with its content

Figure 4 depicts a pie chart showing the percentage of respondents on the content reflection of XYZ products and services.

1= products and services reflect content (208.8°)

2= products and services do not reflect their content (151.2°)

FIG. 4: CONTENT REFLECTION



DURABILITY OF XYZ PRODUCTS AND SERVICES

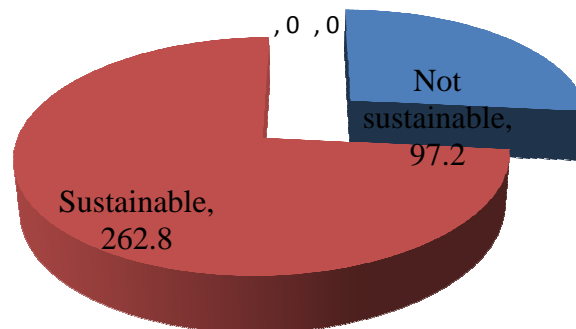
In analyzing the durability and for that matter sustainability of products and services the research meant whether the products stay and serve the subscribers for long. With this, 73% representing 226 respondents did indicate that XYZ products and services are durable in the sense that they do not easily phase out. On the other hand, 27% representing 84 respondents did show that XYZ products and services are less durable and hence easily phase out in the system (field Survey, 2012). This analysis is beyond reasonable doubt that XYZ products and services are sustainable as proven in fig. 5 using the figures in table 7. This satisfies the second objective of the research and answers research question two as well.

TABLE 7: SUSTAINABILITY OF XYZ PRODUCTS AND SERVICES

1= not sustainable	2=sustainable
97.2	262.8

(Field Survey, 2012)

FIG. 5: SUSTAINABILITY USING TABLE 7



ANALYSIS OF CUSTOMER SATISFACTION

Customer satisfaction is a measure of how products and services supplied by the company meet or surpasses customer expectation. Customer satisfaction, again is defined as "the number of customers or percentage of total customers whose reported experience with a firm, its products or its services (ratings) exceeds specified satisfaction goal" (<http://wikipedia.org/wiki/customer-satisfaction>). Studies indicate that ramifications of satisfaction are most strongly realized at the extremes on a 5 point scale. Individuals who rate their satisfaction level as "5" are likely to become returned customers and might evangelized for the firm. Therefore, the research employed a 5 point scale of rating XYZ products and services where 1 is the lowest satisfaction and 5 being the highest. See table 8. **Table**

8: RATING OF XYZ PRODUCTS AND SERVICES

RATE	1	2	3	4	5	TOTAL
RESPONDENTS	34	56	105	75	40	310
PERCENTAGE	11	18	34	24	13	100
DEGREES (°)	39.6	64.8	122.4	86.4	46.8	360

(Source: Field Survey, 2012)

FIG 6: RESPONDENTS RATING OF PRODUCTS AND SERVICES USING TABLE 8

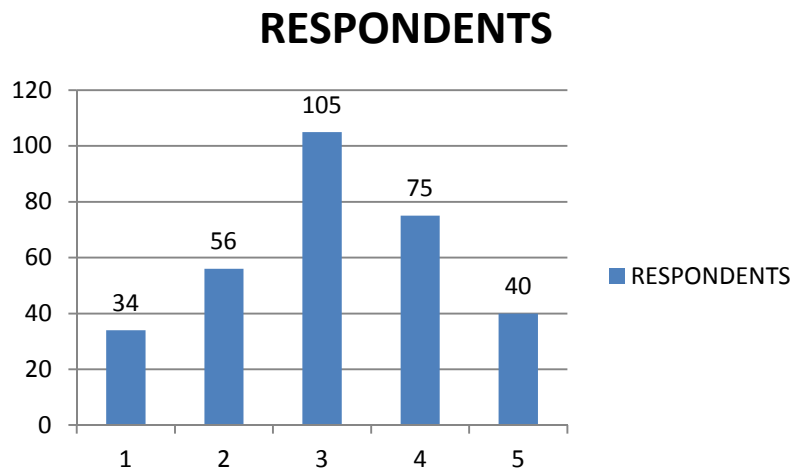


Table 8 and fig. 6 show that majority of subscribers weighed XYZ products and services on a scale of 1-5 as 3, followed by 4, 2, 5, and 1 representing percentages of 34, 24, 18, 13, and 11 respectively.

The research also used; “very satisfied, satisfied, dissatisfied, and very dissatisfied” to analyze satisfaction of XYZ subscribers on products and services. Table 9 shows the nature of satisfaction of respondents.

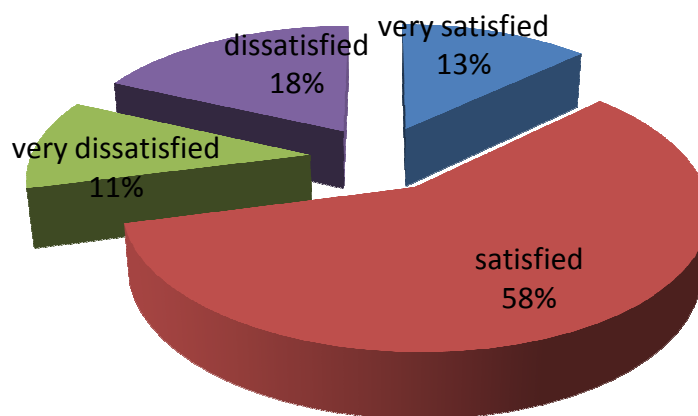
TABLE 9: CUSTOMERS' SATISFACTION

Nature of satisfaction	No. of respondents	Percentage
Very satisfied	40	13
Satisfied	180	58
Dissatisfied	56	18
Very dissatisfied	34	11

(Source: Field Survey, 2012)

Table 9 revealed that, majority of the respondents (180) is satisfied with the XYZ products and services representing 58% of the subscribers. The remaining include; very satisfied (40, 13%) dissatisfied, (56, 18%) and very dissatisfied (34, 11%)

FIG. 7: CUSTOMER SATISFACTION



Satisfactions in terms of customer help line service, respondents expressed their views as follows;

- Connectivity problem
- Delay in responding
- “Sometimes fail to pick calls”
- Unsatisfactory address of problems
- XYZ always apologize for delay in picking

With respect to the above customers’ views, the help line offers subscribers little satisfaction as almost all the respondents had negative view on the said service delivery.

ANALYSIS ON RESPONDENTS LOYALTY TO XYZ PRODUCTS AND SERVICES

Customer loyalty can be defined as the totality of feelings or attitudes that would incline customer to consider the re-purchase (www.icloyalty.com/homepage?q=customer-loyalty)

The loyalty talks of customers’ commitment to the network (XYZ). The research revealed that 89% of the respondents boldly confirmed they are loyal to the network. This percent represent 276 respondents while the remaining 11% (34 respondents) did indicate that, they are not loyal to the network. These figures can be attributed to the fact that XYZ may be the leader in the telecommunication industry or its customers can not do without it.

Some of the reasons given by the loyal respondents are sampled as follows:

- "Until the network is no more, I will never resist from it".
- "I buy XYZ credit from time to time and I don't use any other network apart from XYZ"
- "Ever since I join the network I have realized that I can't live without the network".
- "Because I have not betrayed them"
- "Sometimes their services are not all that attractive yet I continue to use their products and services"
- "Since 2004 I have been using their card due to the fact that most of my friends are using XYZ".
- "I have been a subscriber for over 10 years now despite the fact that their services have not been the best"
- "I recharge my XYZ sim always and make calls even at 10 pesewas"

Others who could not hide their disloyalty also brought up their views for the company to improve upon their services to maintain or otherwise lose them. Below are samples of their views.

- "I don't usually buy credit"
- "Sometimes the products contents are deceiving"
- "High charges leading to the use of other networks"
- "I don't usually patronize their products and services"
- "No bonuses given like others"
- "Deceitful products and services come and go".

This analysis satisfies objective four which sought to examine customers' loyalty to XYZ products and services. It could be concluded that majority of subscribers are loyal. However it is worth noting that, not all loyal subscribers are satisfied with the network.

ANALYSES ON CUSTOMER MOST PREFERRED PRODUCT(S) AND SERVICE(S)

The research revealed that the most preferred product(s) and service(s) across the various levels are: XYZ zone, Mobile money, Pay 4me and XYZ internet connection.

The reasons advanced for the products and services preferred above include:

- The XYZ enables customers to make calls with low amount of credit.
- Some XYZ products enable subscribers to make calls to other XYZ numbers even when they do not have credit.
- The XYZ internet connections make its subscribers to browse on their phones at anytime and everywhere.
- The mobile money service according to the respondents enables them to transfer and receive money easily without necessarily having bank account. It was also revealed that with this service one can top up the account at anytime and everywhere.

Table 10 fig. 8 illustrates the mode of the preferred network products and services. It is arranged from the highest to the lowers in the following order:

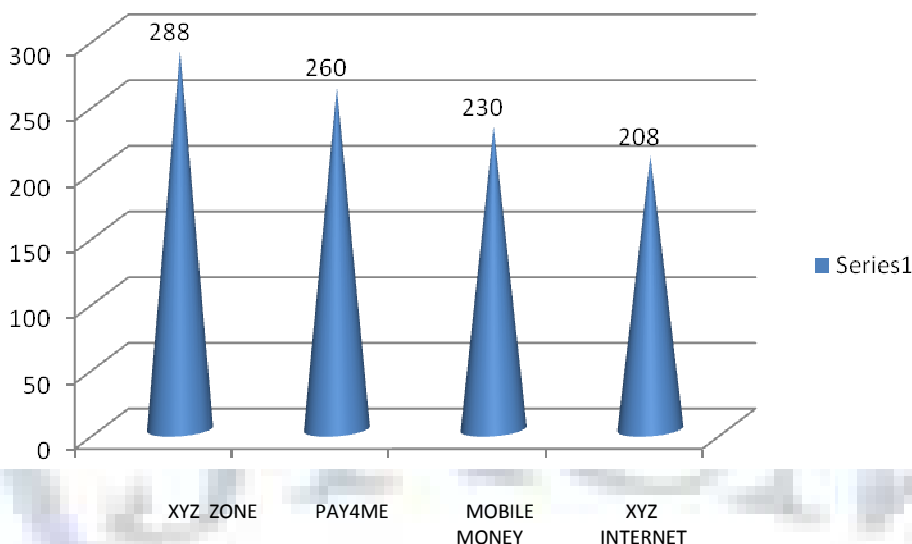
- XYZ area, (1)
- Pay4 me, (2)
- Mobile money, (3)
- Internet connection (3.5G network), (4).

TABLE 10: NUMBER OF RESPONDENTS WHO PREFERRED A PARTICULAR PRODUCT AND SERVICE

XYZ ZONE	PAY 4ME	MOBILE MONEY	XYZ INTERNET
288	260	230	208

(Field Survey, 2012)

FIG. 8: BAR CHART DEPICTING PREFERRED PRODUCT(S) AND SERVICE(S)



CONCLUSION

The conclusion of the study is that XYZ offers varieties of products and services to its valued customers. However, some of the products still remain anonymous to majority of customers. Among these products and service include; XYZ video calling, Blackberry product, and call management services like: call divert, call barring, and hide number.

The XYZ products and services are indeed sustainable i.e. they do not easily phase out of the market. This is confirmed by 226 respondents who are XYZ subscribers representing 73% while 84 respondents representing 27% did indicate that the products and services easily phase out.

Empirical result also indicated by the research is that XYZ products and services are rated as 3 by majority of respondents on a 5 point scale.

The researchers with the auspice of available data can conclude that 58% of respondents are satisfied with XYZ products and services while just 13% did indicate that, they are very satisfied and just 11% are very dissatisfied while 18% are dissatisfied. It can also be concluded that, the help line offers subscribers little satisfaction as almost all the respondents had negative view on the said service delivery.

The respondents boldly confirmed that they were loyal to the network. This represents 89% of respondents while the remaining 11% did indicate that, they are not loyal to the network.

RECOMMENDATIONS

Having Collated data and drawing conclusion, the researchers seek to make the following useful recommendations to the XYZ.

- Inter-network call charges should be moderate to avoid multi-sim card usage.
- The company should embark on intensive and extensive education programs to create the awareness of subscribers about their products.
- XYZ should improve upon their customer help-line service to retain customers since majority expressed their dissatisfaction about this service.
- The research recommends that some of the XYZ services be displayed in percentages rather than monetary unit.
- XYZ should extend their service for those in villages to access it easily.
- The research recommends that their products and services should be realistic in content.
- Subscriber credit security should be guaranteed to prevent cyber fraud.
- The research further recommends that XYZ should toe with their mission statement.

ACKNOWLEDGEMENT

The researchers acknowledge *Suuk Daniel Daadaamin, Dery Ernest, Agbezuke Dela Edem, Fuseini Ibrahimah and Baako Emmanuel, Graduates from Department of Entrepreneurship & Economics, UDS, Wa Campus*, for their impressive contribution towards this research:

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STATE OF HEALTH IN ODISHA: A MAJOR HURDLES FOR INCLUSIVE GROWTH

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ABSTRACT

The health status of its population reflects the socio economic development of a state .The relationship between health and poverty is complex and multifaceted. Poverty in its various dimensions could be a manifestation as well as a determinant of an individual health. The national rural health mission (NRHM) has brought back the primacy of primary health care in India. The health sector reform started in eighties in Odisha has created an enabling environment towards necessary institutional and polices changes for improved health care services in the state. The program implementation plan (PIP) for Odisha health sector plan (OHSP) 2005-10 already on place provides a unique opportunity for the government of Odisha to align its own , the government of India's and development Partner's resources to meet the state's priority in public health provision. The objective of this paper is to make a detailed analysis of state of health in Odisha which is a key component of inclusive growth. An attempt is also made to find out the past health initiative in the state. The study is based upon both primary data and secondary data. The method of collecting data gives more emphasis on household studies and sample surveys. The study has deliberately chosen the years 1987, 1992, 1997, 2002 and 2007 to analysis the outcome of different health policies, plans and programs. The main findings are Utilization of health infrastructure by the needy as less than adequate. There is an evident gap between planning and implementation of various plans. The mechanisms of operational aspect of planning need to be strengthened.

KEYWORDS

State of Health, Inclusive growth, Poverty, Inequity and marginalization

INTRODUCTION

Health is not only a critical input but also a desirable outcome of human development Health Status of its population reflects the socio, economic development of a state. Health status is shaped by a variety of factors including level of income and standard of living, housing, sanitation, water supply, education, employment, health consciousness and personal hygiene, and the coverage, availability, accessibility acceptability and affordability of health services. The poor health status of state is a product of inadequate nutrition, lack of protected water supply, and over crowded in sanitary working conditions. These conditions are conducive to deficiency diseases, airborne diseases, focally related and water borne diseases/which dominate the morbidity and mortality pattern in less development regions. In brief, these diseases arise from a set of conditions.

The relationship between health and property is complex and multifaceted poverty in its various determinant of an individual's health. In its most basic form – as a state of food deprivation and national inadequacy – poverty has a direct bearing on the morbidity and longevity of people. The other aspects of deprivation such as lack of access to critical amenities including safe water, sanitation, non-polluting domestic fuels, connectivity of life support services and most importantly to education and general awareness, contribute to reinforcing ill health and morbidity, even leading to higher mortality levels.

The state of Odisha can rightly be described as a hapless Cinderella of modern India, the trials and tribulation of Odisha are unique and no other state in the Indian Union is as adversely placed in the context of development as this state. It has been pointed time and again that Odisha represents a paradox – a land well endowed by nature with wide spread poverty among people. The poverty of Odisha is both a cause and result of under development in the economic and social spheres compared to the national averages. The relatively low level of economic development of the state can partially explain the high levels of poverty. Again this is state whose demographic composition reveals the predominance of scheduled Tribes (STs) and Scheduled caste (S(s). The state has one of the highest STs among the major states averaging over 22.13% as per 2001 census. In Odisha, the most vulnerable social; groups are women, STs and SCs while the most vulnerable occupation groups are landless & marginal farmers, artisans and marine fisher folk.

The root cause of poor health status in the state of Odisha is poverty (both income and human poverty) and social deprivation, low literacy (especially female literacy), and structural inequalities in terms of class, caste and sex. Thus most of the disease burden in the state is directly or indirectly attributed to poverty. The present study makes a detailed analysis of state of health in Odisha which is a key component of inclusive growth. The entire study is based upon both primary data and secondary data.

This paper proceeds as follows First, in Section 2 we make analysis of state of health in Odisha, In section 3, we find out the past health initiative in the state. Section 4 analyses the key issues and concerns. Main findings and suggestions are provided in section 5. Section 6 presents the conclusions.

STATUS OF HEALTH

To have an overview of health status of Odisha there is a need to analyze fertility mortality indicators and Morbidity pattern. Needless to say Odisha has the poorest health indicators in the country with very high levels of Mortality, Morbidity and malnutrition, Fortunately, fertility levels for the state is relatively low compared to states like Uttar Pradesh (UP), Bihar, Madhyapradesh (MP) and Rajasthan.

➤ FERTILITY

The sample Registration system (SRS) has been providing data for estimating fertility measures, and is considered to be the most accurate and reliable. The fertility indicators used for analysis here are crude Birth Rate (CBR) General fertility Rate (GFR), Age specific Rate (ASFR), Gross Reproduction Rate (GRR), and Total fertility Rate (TFR).

Crude Birth Rate (CBR)

The crude Birth Rate (CBR) is the most commonly used measure of fertility. CBR is defined as the number of like births per 1000 population in a given year.

General Fertility Rate (GFR)

Is yet another measure of fertility expressed as the number of live births per thousand women in the reproductive age group 15-49 years in a given year. As per the latest SRS data of 2007 the GFR for all India is 89.5 and the corresponding figure for Odisha is 79.7; which is relatively lower.

Age specific fertility rate (ASFR) is calculated for specific age groups to see the differences in fertility behaviour at different age.

Gross Reproduction Rate (GRR) measures the average number of female children a women is expected to give birth to during her entire reproductive span conforming to ASFR for a given year if there is no mortality.

Total fertility Rate (TRR) indicates the average number of children expected to be born to a women during her entire reproductive span. Assuming that ASFR continues to be the same and there is no Mortality.

TABLE 2.1: COMPARES ALL THE FERTILITY LEVELS DATA FOR ODISHA AND INDIA IN 2007

Country/State	CBR			GFR			ASFR (20-24)			GRR			TFR		
	Rural	Urban	Total	Rural	Urban	Total	Rural	Urban	Total	Rural	Urban	Total	Rural	Urban	Total
Odisha	22.4	16.1	21.5	83.9	56.1	79.7	180.9	123.8	172.9	-	-	1.2	2.5	1.7	2.4
India	24.7	18.6	23.1	98.6	67.3	89.5	235.5	161.7	213.9	-	-	1.3	3.0	2.0	2.7

Though the southern states are ahead in fertility transition, substantial fertility decline has been marked in Odisha despite gender inequality, Socio-economic backwardness and relatively higher infant mortality rate. The rural urban fertility differential shows that in Odisha, the Urban fertility declined too much and if attained below replacement level fertility resulting further decline in fertility.

In Odisha the urban fertility reached near replacement level, but the fertility in rural areas still above replacement level. As majority of the population still lives in rural set up, the prospects of population stabilization in near future depends on the success of the efforts in rural areas.

➤ **MORTALITY**

Among the components of population change, Mortality has historically played an important role in determining the growth of population. Reduction in overall Mortality is an important objective of planning since the first five year plan. The National population policy 2000 (NPP 2000) National Health Policy 2002 (NHP 2002), RCH-2 (2005) and National Rural Health Mission (NRHM; 2005) have reinforced the need of reduction in mortality particularly material and input (including neonatal) mortality.

Life expectancy; is the number of years of a person would live, calculated on the basis of current death rates at any given point of time. It gives the survival rate rather than the health status of the population life expectancy figures for Odisha and Indian from 1990 to 2000 that as of Mid 2000, life expectancy of birth for Odisha is 58.5 compared to 62.5 for India.

CRUDE DEATH RATE

CDR is defined as the number of deaths per 1000 population in a given year. It is the most commonly used indicator of Mortality. Odisha has high level of Mortality and CDR is relatively high compared to the national figure.

INFANT MORTALITY RATE (IMR)

IMR is considered to be are of the most sensitive indicators of health and development and defined as number of Infant (under age one) deaths per thousand live births in a given year. As per SRS, 2007 IMR is 71 per 1000 live births in Odisha compared to the national figure of 55 per 1000 live births. Odisha is having the 2nd highest IMR. Among the states in the country. The cause of infant deaths has been premature/low birth weight, acute respiratory tract infection and diarrhea. A majority of infant deaths are preventable by simple interventions provided through the healthcare delivery system. The desired impact has not been felt since the health of a child is dependent on the level of nutrition, infection load in the community, and economic and environmental factors of neo-natal mortality and post neo-natal mortality.

➤ **MATERNAL MORTALITY RATIO (MMR)**

MMR is also a very sensitive indicator of overall Socio-economic development, Social status of women and adequacy or inadequacy of healthcare system; is defined as the annual number of maternal deaths (during pregnancy, child birth and puerperal period) per 1,00,000 live births. The latest MMR by RG, 2004-06 figures published in 2009 are 303 per 1 lakh live births in Odisha compared to 254 for national level. It is also important to point out that for each women who dies as many as 30 other women develop chronic and debilitating conditions, which seriously affect the quality of life. Women in Odisha need support in obtaining access to essential obstetric care.

➤ **MORBIDITY**

It is a very important indicators of the health status and quality of life. We laid our hands on some of the reports of the survey of causes of Death (CSD). In order to get an overview of the prevailing disease pattern in the 1980's and 1990's we have made use of data on survey of causes of death (Rural) published by Registrar General's office the percentage distribution of deaths according to major cause groups for these years is furnished below.

Table No. 2.2

Major Cause Groups	1982	1987	1992
Disease of circulatory system (anaemia, congestive heart failure/diseases heart attacks /schematic heart disease, others)	4.8	11.2	23.3
Coughs)diseases of the respiratory system, viz Asthma and bronchitis, TB if lungs, pneumonia, whooping coughs, other)	11.3	8.1	13.4
Senility	29.4	39.7	18.2
Digestive Disorders (Gastro enteritis, acute abdomen, dysentery peptic ulcer, food poisoning, cholera and others)	8.6	8.2	8.3
Causes peculiar to infancy (prematurity, respiratory infections of new born, cord infection, congenital malformation, birth injuries and others)	20.5	12.1	0.6
Other clear symptoms (cancer, measles, jaundice, cirrhosis of lever/chronic liver disease, diabetes, tetanus and other)	7.3	7.8	6.9
Disorders of central nervous system (paralysis or cerebral apoplexy, meningitis, convulsions and others)	3.9	3.6	8.3
Accidents and injuries (Vehicular, suicide, drowning, burns snake bites, fall, homicide and others)	4.5	4.1	5.5
Fevers (Typhoid, malaria, influenza and others)	8.4	4.2	4.4
Child birth and pregnancy (abortion, toxemia, anaemia bleeding of pregnancy, purperem, puerperal sepsis and others)	0.9	1.0	1.6

The above table is more or less self explanatory. The health care system is centrally controlled by the Government of Odisha giving more thrust on primary health care at community level. However, secondary and tertiary health care services do exist to support the system as next referral units to fulfill the total Health needs of the community.

➤ **EQUITY AND ACCESS**

In Odisha marginalized groups comprise around 36% of the population. Almost 81% of ST/SC groups landless labourers. National sample survey data shows that the percentage of disadvantaged groups not accessing healthcare for location reason is higher in poor performing states. There is a shortage of PHC (Primary health centers) particularly in tribal areas. The cost of health care has grown enormously. On an average they spend 12% of their annual income on healthcare opposed to only 2% spends by reach. However the richest 20% enjoy three times the share of public subsidiary for health compared to the poorest quintile (NCAER 2000). Hospitalized ST/SC people spend more than half their total annual expenditure to buy health care, while 45% borrow money or sell asserts to cover expenses and 35% fall below the poverty line (India raising the sights WB 2001). The number of disadvantage poor, who did not seek treatment because of financial reasons increased from 15% to 24% in rural areas and doubled from 10% to 21% in urban slums in the decade 1986-96. The market share (i.e. utilization of services by the community) of PHCs is less than 8% down from 21% in 1986(NSSO 52 round). The process of globalization is a destabilizing factor. Increases in prices of drugs, advanced medical technology and medical services after 2004 under TRIPS(Trade Related Intellectual Property Rights) and GATS (General Agreement on Trade in Services) and has widen healthcare disparities between the rich and the poor. The health service delivery system is plagued with certain inherent weakness, among which those in need of priority corrective action are: effectiveness, efficiency, decentralization, and integration. In remote/ tribal areas the healthcare delivery barely reaches the population. Infrastructure still remain poor and outreach care is virtually absent (however lots of improvements have been made with the implementation of NRHM in recent times)

PAST HEALTH INITIATIVE IN THE STATE

Most of the programs for nearly 25 yrs after independent were either centrally sponsored or were provided by the public health system of the state govt directly. These health services were not been able to significantly improve the health of the people in the state. For numerous reason therefore considering the critical health needs of Odisha, the state govt for the first time initiated an externally added project in 1980 titled the "Odisha health and family welfare reform project (OHFWRP)". The first form of the project (1980-87) covered three coastal district (Puri,Cuttack,Ganjam) and two tribal districts(Kalahandi & Phulbani). The intervention was basically infrastructure devt, training, and strengthening of IEC. The basic objectives was to promote national policy on population and maternal and child health (MCH) in the state. In the phase II of Odisha health and family welfare reform project (1989-96) attempted to consolidate the achievements in this five districts and extended another five district Dhenkanal, Keonjhar, Mayurbhanj, Sambalpur and Sundargarh (pre dominantly SC/ST population)

OHFWRP

Phase I	1980-87
Phase II	1989-96
Phase III	1997-2000

The state government initiated reforms in several areas. Some of these are follows.

- Introduction of user charges in the government hospitals.
- Drug procurement and distribution.
- Total risk protection against five diseases (malaria, diarrhea, leprosy scabies and acute respiratory infection)
- Decentralization of health service Management.
- Personal polices.
- Management of PHCs.
- Privatization of health care services.
- Asset maintenance.
- Lanching of National Rural Health Mission (NRHM)

1. KEY ISSUES AND CONCERNS

To address effectively the problem of inequity and marginalization, an attempt has been made to identify critical issues. The issues are the following

- Tribal health.
- Health in the KBK region.
- Women's health.
- Health of the young people/adolescents.
- Health of the Elderly.
- Health of the urban poor.

TRIBAL HEALTH

Major contributors for poor health status and disease burden of the tribal people are:

- Poverty and consequent under nutrition in both Macro and Micronutrients.
- Poor environmental sanitation, poor hygiene and lack of safe drinking water.
- Lack of access to health services and health care facilities resulting in increased severity and/or duration of illness.
- Social barriers preventing access and utilization of available health care facilities.
- Vulnerability to specific diseases such as malaria, Yaws, Tuberculosis and genetic diseases like sickle cell, anemia and G-6PD deficiency.

HEALTH STATUS OF KBK (Undivided Kalahandi, Bolangir and koraput) region.

The undivided Kalahandi, Bolangir & Koraput (KBK) region comprising of right districts of Odisha is regarded as one of the most backward areas in the state. Then number of Medical institutions in KBK region appears to be inadequate since most of the areas in this region comprise of hilly, inaccessible areas with difficult terrain and out of from main road and majority of the population are tribal communities, SC and BPL families. On an average one sub-centre is catering to the health need of 4440 people against the norm of having sub-centre for a population of 3000 in tribal areas. The lack of adequate infrastructure and livelihood opportunities with acute poverty of this region is quite known to the entire world due to occurrence of starvation deaths among the people in Kalahandi District, Another dimension of this precarious condition is also reflected in mass migration of the people to the neighboring states in search of employment opportunities.

Womens Health It is being increasingly recognized that women's health issue go much beyond material morbidity and mortality to include nutrition, child bearings, contraception, abortion, reproductive health, reproductive Tract Infections (RTIs), Sexually Transmitted Diseases (STDs) including HIV/AIDS, communicable diseases, Women in Odisha are affected by many of the same health conditions as men, but women experience them differently. The prevalence of poverty and economic dependence among women, their experience of violence, negative of our society towards women and girls. Limited power many women have their sexual and reproductive lives and lack of influence in decision making are some of the social realities which have an adverse impact on their health. Lack of food and inequitable distribution of food for girls and women in the household, inadequate access no safe water, sanitation facilities, fuel supplies (Particularly in rural and urban slums) deficient housing conditions all overburden women and their families and have a negative impact /effect on their health.

YOUNG PEOPLE / ADOLESCENTS 'HEALTH'

Adolescent is a critical link between the childhood and adulthood of the person. It is now widely recognized that adolescents have particular health needs that differ in many ways from those of adults.

In Odisha, more than 0.78 crores of population belongs to age groups of 10-19 years. The adolescents are very vulnerable and at risk of unwanted pregnancies due to ignorance and lack of access to contraceptives during such as STDs, HIV/AIDS and RTIs are also on the rise amongst adolescents in the age group 15-19 years.

The five key interventions that could be considered to cater to adolescents / young people's health development needs are

- Providing information
- Building Skill
- Providing Counseling
- Improving youth friendly health services
- Creating safe and supporting environment .

HEALTH OF THE ELDERLY

Odisha has comparatively higher percentage of elderly to the total population than other status in India. There is a need of establishing a model for simple, sustainable and economic health care delivery system for elderly at community level complementing the existing health care services in the state. Since the proportion of elderly living alone is increasing day by there is a programmes in "home nursing" which will build a cadre of care givers at the community level in to meet the growing health care need of the elderly in the 21st century in the state.

HEALTH OF THE URBAN POWER

India's as well as Odisha;s when poor are vulnerable to many health risks as consequences of poor hygienic and sanitation. The health indicators of urban poor are after poorer/ worse than their rural counterparts. Urban averages for health and many other indicators, mask sharp disparities between the urban poor and those better off.

THEMATIC ISSUES

- Quality of care (QOC)
- Public Private Partnership (PPP)
- Health care financing
- Community Risk pooling during illness and health insurance for the poor.
- Mainstreaming AYUSH (Ayurveda, Yoga, Unani Siddha and Homeopathy)
- Corporate Social responsibility
- Community Monitoring

SUGGESTED INNOVATIVE APPROACHES

- Involving the tribal communities in the planning process as well as in the management and process as well as in the management and implementation of various programmes.
- Involvement of NGOs and community Based organizations (CBOs)
- Promotion of tribal system of medicine, and tribal healers to be part of the health team.
- Initiate to be part of the health team.
- Initiate community midwife training.
- Strengthening Health service Delivery.
- Strengthening Health sector management system.
- Enhancing demand and utilization of services and bring equity and gender into the mainstream.

CONCLUSION

The slow pace of health sector reforms in Odisha poses a major challenge. Also poverty, social justice and gender issues have not been brought centre stage in health sector reforms. Linking health programmes to poverty alleviation is critical in the context of Odisha because the burden of health services falls disproportionately on the poor.

Poverty remains one of the main reasons for untreated illness, thereby resulting in a sharp increase in morbidity. This burden is compounded further in a situation of unequal gender relations on the hand and unequal social status on the other.

Now that NRHM is in place, one can take the opportunity of this programme platform. The NRHM has brought back the primacy of primary health care. It has given prominence of place to what is called 'communitization', in fact, it is the hallmark of NRHM. Communitization means community ownership in terms of community-based planning implementation, management and, of course, monitoring.

Communities need to know their health care, so that they make appropriate demands on health care systems. People's demand for services can be improved as part of the provisions of the 73rd and 74th Amendments and the Right to Information Act.

Health relates to everything that goes to constitute human lifestyle and life system. Therefore, the concept of health and health care has to transcend the present narrow techno-centric understanding and unethical top-down prescriptive care system. Health is to be holistic and health care is to be for health development of all and actively participatory.

Like any right, health has to be asserted rather than given or taken. Responsibility for health policy development, management and advocacy should not be limited to health professionals. All Stakeholders and those contributing to human development and services, including the people, should participate in the process of development. Quality of life and inclusive growth cannot be improved without people's participation, involvement and initiative. Preparing the young people of the state to be healthy and productive is crucial for utilizing the available window of opportunity.

This is an opportunity to convert people into a productive asset to society to make Odisha into a developed state, a vibrant economy and society, it is our social responsibility to make health a people's agenda and take it beyond advocacy to the common concern of all in Odisha.

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GREEN MARKETING AND ITS IMPORTANCE FOR COMPANIES**VIJAY PRAKASH ANAND****ASSOCIATE PROFESSOR****SHRI RAM MURTI SMARAK INTERNATIONAL BUSINESS SCHOOL****LUCKNOW****ABSTRACT**

Green marketing is gaining popularity day by day. It is the new buzzword in the marketing. The world is going Green and so are the companies. Now going green has become the new success mantra in marketing to differentiate the products and services from their competition. It has also become a platform for innovation. Now, more and more organisations are trying to follow the green path either directly or indirectly. This paper deals with the concept of green marketing and its importance for the companies. It highlights the five important reasons that companies go in for green marketing namely, providing an opportunity, being socially responsible, due to governmental pressure, due to competitive pressure and due to cost or profit issues.

KEYWORDS

Green Marketing, Marketing, Sustainable Marketing, Business Strategy, Green Strategy.

1.0 INTRODUCTION

 Green is the new buzzword in the marketing. The world is going Green and so are the companies and the governments. Now going green has become the new success mantra in marketing to differentiate the products and services from their competition. It has also become a platform for innovation. Now, more and more organisations are trying to follow the green path either directly or indirectly. The harmony among the three P's – People, Planet and Profit is taking the centre stage for the companies as well as for the governments.

According to Hallin (1995) and McCarty and Shrum (2001), people engage in environmental behavior as a result of their desire to solve environmental problem, to become role models and a belief that they can help to preserve the environment. However, consumers' indications of positive attitude towards environmental issues do not necessarily lead to actual environmentally friendly purchasing behavior (Laroche et al., 2002). Majority of consumers do not purchase products based on the environmental concern alone and they will not trade-off other product attributes for a better environment (Yam-Tang and Chan, 1998).

In the last twenty five years, the global environmental problems have become paramount. Environmental issues like air pollution, ozone depletion, hazardous waste, water pollution, global warming etc. is now so common that we need to address them as soon as possible to sustain our ecosystem. These environmental concerns have evolved through many different phases (Straughan and Roberts, 1999). It started in the 1960s with the greening concept, concentrating on pollution and energy conservation. Afterward, due to increased social and political pressure, organizations have moved beyond these concepts to recycling, alternative packaging, redesigning of product, and alternative products. Since 1990s, environmental concern has become one of the most important issues. Both in United States and Europe, businesses have discovered that in future customers purchase decision will be influenced by environmental considerations. This phenomenon is known as green marketing (Lampe and Gazdat, 1995).

1.1 GREEN MARKETING

Green marketing is also known as environmental marketing (Coddington, 1993), ecological marketing (Fisk, 1974; Henion and Kinnear, 1976), green marketing (Peattie, 1995; Ottman, 1992), sustainable marketing (Fuller, 1999) and greener marketing (Charter and Polonsky, 1999). Many times, a majority of people believe that green marketing refers solely to the promotion or advertising of products with environmental characteristics. Consumers often associate green marketing with terms like phosphate free, recyclable, refillable, ozone friendly, and environmentally friendly. While these terms are green marketing claims, in general green marketing is a much broader concept, which is applied to goods as well as services. Thus green marketing incorporates a broad range of activities, including product design, product modification, changes to the production process, packaging changes, as well as modifying advertising and promotions.

Although green marketing came into prominence in the late 1980s and early 1990s, it was first discussed in the workshop titled "Ecological Marketing" in 1975, undertaken by American Marketing Association (AMA). The proceedings of this workshop resulted in one of the first books on green marketing entitled "Ecological Marketing" [Henion and Kinnear 1976a]. Since that time a number of books have been published on this topic [Charter 1992, Coddington 1993, Ottman 1993].

The AMA workshop attempted to bring together academics, practitioners, and public policy makers to examine marketing's impact on the natural environment. At this workshop ecological marketing was defined as: the study of the positive and negative aspects of marketing activities on pollution, energy depletion and non energy resource depletion. [Henion and Kinnear 1976b,1]

This early definition has three key components,

- 1) it is a subset of the overall marketing activity;
- 2) it examines both the positive and negative activities; and
- 3) a narrow range of environmental issues are examined.

From time to time, green marketing has been defined by several authors. On the whole it involves designing, promoting, pricing and distributing products and services according to the customers' want and need, with minimal detrimental impact on the natural environment (Grant, 2008; Jain and Kaur, 2004; Kangis, 1992; Pride and Ferrell, 2008). In the last fifteen years, concern for the environment has been steadily increasing, due to increased media coverage, greater awareness of environmental problems, the impact of major industry disasters and the rise of activist groups on the environment (Kalafatis et al. 1999). As a result, various customers started considering nature protection as a central factor to incorporate in their buying decisions, increasing realization that environmental protection is not just a task to be performed by government institutions or organizations, but is each citizen's responsibility (Fraj and Martinez, 2006). This concern has created a new segment of 'Green Consumers'.

That's why in recent times, there are encouraging signs, which show that the demand for greener products is picking up. According to Natural Marketing Institute reports, more than 200 billion \$ market of Lifestyles, Health and Sustainability (LOHAS) is expected to become double by 2010 and quadruple by the end of 2015 (Widger, 2007). Therefore, understanding consumers' green buying behavior is of paramount importance for environment friendly businesses; besides being important for academics and practitioners. In this regard, Theory of Planned Behavior states that intention is seen as the proximal determinant of behavior: the more one intends to engage in a particular behavior, the more likely one is to actually engage in it (Ajzen, 1985; Kalafatis., Pollard., East., and Tsogas, 1999).

Several researches have been conducted on green purchasing intentions. Among these, many researchers have identified the determinants of consumers' green purchase behavior, majority of them have been conducted in industrialized countries (Bleda and Valente, 2008; Chatterjee, 2009; Chan, 2004; Davis, 1993), but the findings often contradict each other (Elham, R and Nabsiah, A.Wahid, 2011). For that reason, the findings may only be relevant in certain cultural, demographical and geographical context, and time. Because of complexity in green purchasing behavior of consumers', generalization is often not meaningful under different cultural, social and demographical contexts. To strengthen this argument, Elham and Nabsiah (2011), Ottman (1992) and Peattie (1992) reported that demand and attitudes for environment friendly products is likely to be uneven across different market segments and cultures. That's why there is need for research on consumers' green purchase intentions in India.

1.1.1 WHY IS GREEN MARKETING IMPORTANT FOR COMPANIES?

There are various reasons to 'go green' for the companies These are as follows:

1. Organizations perceive environmental marketing to be an opportunity that can be used to achieve its objectives [Keller 1987, Shearer 1990];
2. Organizations believe they have a moral obligation to be more socially responsible [Davis 1992, Freeman and Liedtka 1991, Keller 1987, McIntosh 1990, Shearer 1990];
3. Competitors' environmental activities pressure firms to change their environmental marketing activities [NAAG 1990];
4. Governmental bodies are forcing firms to become more responsible [NAAG 1990]; and
5. Cost factors associated with waste disposal, or reductions in material usage, forces firms to modify their behavior [Azzone and Manzini 1994].

IMPORTANCE OF GREEN MARKETING AS AN OPPORTUNITY

Generally it has been found that all types of consumers, both individual and industrial are becoming more concerned about the environment. In a 1992 study of 16 countries, more than 50% of consumers in each country, other than Singapore, indicated they were concerned about the environment [Ottman 1993]. A 1994 study in Australia found that 84.6% of the sample believed all individuals had a responsibility to care for the environment. A further 80% of this sample indicated that they had modified their behavior, including their purchasing behavior, due to environmental reasons [EPA-NSW 1994]. As demands change, many firms see these changes as an opportunity to be exploited. In turn, it means that the companies selling environment friendly products will have a competitive advantage over other companies. Few examples are:

- McDonald's replaced its clam shell packaging with waxed paper, because of increased consumer concern relating to polystyrene production and Ozone depletion [Gifford 1991, Hume 1991].
- Xerox introduced a "high quality" recycled photocopier paper in an attempt to satisfy the demands of firms for less environmentally harmful products.
- Tuna manufacturers modified their fishing techniques because of the increased concern over driftnet fishing, and the resulting death of dolphins [Advertising Age 1991].
- Nike is the first among the shoe companies to market itself as green. It is marketing its Air Jordan shoes as environment-friendly, as it has significantly reduced the usage of harmful glue adhesives. It has designed this variety of shoes to emphasize that it has reduced wastage and used environment-friendly materials.
- Indian Tobacco Company (ITC) has introduced environmental-friendly papers and boards, which are free of elemental chlorine.

Although in some cases, it has been a genuine effort by the company. In most of the other cases, companies are merely looking for jumping to the green bandwagon for immediate gains. That's why sometimes these companies make false or misleading green marketing claims.

IMPORTANCE OF GREEN MARKETING AS SOCIAL RESPONSIBILITY

Many companies are taking the initiative to become environment friendly. Sometimes it also acts like a marketing tool, while in some cases they are doing it without promoting this fact.

- Panasonic's 'Eco Ideas' to produce energy efficient products, to reduce CO₂ emissions across all their manufacturing sites and to spread awareness about the environmental activities through celebrity endorsers in India and all across the world
- Coca Cola does not promote its environmental initiatives. Although they have invested large sums of money in various recycling activities and also modified their packaging to minimize the environmental impact. Coca-Cola pumped syrup directly from tank instead of plastic.
- HP's 'Power to Change' campaign to save electricity is also one of the social responsibility measure.
- McDonald's restaurant's napkins, bags are getting made of recycled paper.

IMPORTANCE OF GREEN MARKETING DUE TO GOVERNMENTAL PRESSURE

Many governments all across the globe are also trying to do their bit for the environmental concern.

Governmental regulations relating to environmental marketing are designed to protect consumers in several ways,

- 1) To reduce production of harmful goods or byproducts,
- 2) To modify consumer and industry's use and/or consumption of harmful goods, or
- 3) To ensure that all types of consumers have the ability to evaluate the environmental composition of goods.

Governments establish regulations designed to control the amount of hazardous wastes produced by firms. Many by-products of production are controlled through the issuing of various environmental licenses, thus modifying organizational behavior. In some cases governments try to "induce" final consumers to become more responsible. For example, some governments have introduced voluntary curb-side recycling programs, making it easier for consumers to act responsibly. In other cases governments tax individuals who act in an irresponsible fashion. These are few examples.:

- Bureau of Energy Efficiency (BEE) Label in India has also been helping the customers to buy energy efficient electrical appliances with its five star labels.
- In Australia there is a higher gas tax associated with leaded petrol.
- In 2002, a Supreme Court directive made all the difference to curb pollution by issuing an order to completely adopt Compressed Natural Gas (CNG) in all public transport systems in Delhi. Now it is followed all across India to curb pollution.

IMPORTANCE OF GREEN MARKETING DUE TO COMPETITIVE PRESSURE

Due to competitive pressure also, many companies are forced to look after the environmental concerns, as consumers are more aware and educated than before. In many cases firms observe competitors promoting their environmental behaviors and attempt to emulate this behavior. In some instances this competitive pressure has caused an entire industry to modify and thus reduce its detrimental environmental behavior. For example, it could be argued that Xerox's "Revive 100% Recycled paper" was introduced a few years ago in an attempt to address the introduction of recycled photocopier paper by other manufacturers. In another example when one tuna manufacture stopped using driftnets the others followed suit [Advertising Age 1991].

IMPORTANCE OF GREEN MARKETING DUE TO COST OR PROFIT ISSUES

Companies also need to address the cost issues and profit issues, which heads them to go green. Companies can reduce harmful wastes may incur substantial cost savings. When attempting to minimize waste, firms are often forced to re-examine their production processes. In these cases they often develop more effective production processes that not only reduce waste, but reduce the need for some raw materials. This serves as a double cost savings, since both waste and raw material are reduced. In other cases firms attempt to find end-of-pipe solutions, instead of minimizing waste. In these situations firms try to find markets or uses for their waste materials, where one firm's waste becomes another firm's input of production.

In the era of going green, many new businesses are also coming up to cater to the new needs of the industry like

- 1) a company may develop a technology for reducing waste and sells it to other firms, or
- 2) a waste recycling or removal industry can develop [Yurman 1994].

For example, firms that clean the oil in large industrial condensers increase the life of those condensers, removing the need for replacing the oil, as well as the need to dispose of the waste oil. This reduces operating costs for those owning the condensers and generates revenue for those firms cleaning the oil.

1.2 CONCLUSION

Now more and more companies are willing to join the green bandwagon, as it provides an opportunity to market their eco friendly products. It also helps the companies to become socially responsible and it may happen due to governmental pressure or, due to competitive pressure or, due to cost or profit issues. On the whole, green marketing is going to benefit the consumers ultimately with better products and help the society on the whole, by building a green business ecosystem.

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IMPACT OF BRAND CELEBRITY ON CONSUMER PURCHASE INTENTIONS: A STUDY WITH REFERENCE TO SELECTED MOBILE SERVICE PROVIDERS IN HYDERABAD CITY

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ABSTRACT

The purpose of this study was to investigate the consumers attitudes toward the Brand celebrity advertisement and their intent to purchase the advertised product. Participants were asked to answer a questionnaire and in-depth Interview that corresponded with Selected Brand advertisements and celebrities. The dependent variables purchase intentions, attitude toward the ad and celebrity were measured against the independent variables Source of information, essential features and Celebrity qualities using one-way ANOVA (Analysis of Variance) and Chi-square χ^2 Test. Findings indicated that celebrity endorsements generated higher purchase intentions, positive attitudes toward the ad and positive attitudes toward the brand.

KEYWORDS

Brand celebrity, advertisement, consumes attitudes, purchase intention.

INTRODUCTION

In these days it is essential for every company to use the celebrity in advertisement to increase the company market share, Brand Image and in India celebrities are idolized as Gods and marketers have been trying their best to tap on this emotional connect of the people with the celebrities. Today, most of the popular brands are being endorsed by a famous personality either from entertainment industry or sports arena. Due to the competition among the various companies from different segments and places everyday consumers are exposed to thousands of voices and images in magazines, newspapers, and on billboards, websites, radio and television. Every brand attempts to steal at least a fraction of a person's time to inform him or her of the amazing and different attributes of the product at hand. The challenge of the marketer is to find a hook that will hold the subject's attention. In helping to achieve this, use of celebrity endorsers is a widely used marketing strategy.

In 1995, the Indian cellular industry looked very promising. With ever increasing globalization and expanding business activities, cell phones became a necessity for business on the move. The younger generation also began to flaunt the cell phone as a status symbol. Soon cell phones were being used not only as a tool for communication but also as a source of entertainment.

India's telecom industry is emerging as one of the biggest advertising spenders every year. In a country that has emerged as the biggest ad spenders in Asia-Pacific region, advertising has become a mainstream activity for most telecom operators. The industry witnessed an annual growth of 27% over May 2009 in advertising expenditure (Website, IndianTelevision).

DEFINITION: "Any individual who enjoys public recognition and who uses this recognition on behalf of the consumer good by appearing with it an advertisement" (McCracken 1989)¹.

"Celebrities can make people take notice of what they are endorsing and create an immediate identity or person for a product" (Cooper, 1984)².

"Celebrities increase your odds of getting attention, make the copy more memorable, humanize the company, add glamour to the product, and make it more desirable, credible and trusted. For these reasons advertisers seek out celebrities to promote their products" Spielman (1981)³.

"A celebrity endorser is an individual who is known to the public (actor, sports star a entertainer, etc) for his or her achievements in areas other than that of the product class endorsed" (Friedman 1979)⁴.

PURPOSE OF THE STUDY

Due to the availability of variety of channels, many entertainment programmes and remote control devices, the reach of advertisement is very poor. To make the advertisement more attractive, advertising agencies and companies are using celebrities. Purpose of this study was to investigate the influencing factors on consumers buying behaviour, Attitude towards the celebrity advertisements and purchase intentions of the endorsed product and what all qualities required to make the celebrity advertisement more colorful.

OBJECTIVES OF THE STUDY

1. To study the consumer perception towards Brand celebrity Advertisement
2. To analyse the factors influencing on consumer Purchase intentions
3. To identify the influence of celebrity endorsement on consumer Purchase intentions.

SCOPE OF THE STUDY

This study will facilitate in understanding the consumer attitude towards the advertisements, their choice of celebrities. This study is confined to selected brands of prepaid mobile services in Hyderabad.

The study offers an extended scope for further research will give new information about brand ambassador's selection in advertisements. With the help of the findings of the study the cellular companies can formulate the appropriate new strategies in selecting the brand ambassadors to change the customers buying decisions.

RESEARCH METHODOLOGY

The present study exploratory research design is adopted with special emphasis on brand celebrity impact on consumer buying decisions with reference to selected prepaid mobile services. This study involves carrying out original research in order to meet the organizations continual need for new information for forward decision making. The analysis of the research findings should take place, resulting in proposals about how to manage relevant aspects of the organization's future.

SAMPLE DESIGN

For the purpose of the study, a sample of 250 consumers living in Hyderabad city was selected on Convenience sampling basis.

DATA SOURCES & COLLECTION METHODS

The primary data includes a comprehensive survey questionnaire and Interview administered to different consumers already using the mobile services. Questionnaire is designed to elicit data on impactation of Brand celebrities on consumer buying behaviour in Hyderabad. The questionnaire for the most part is structured, and most of the questions are combined with a set of possible answers to a question.

The secondary data was gathered from the published Literature surveys and magazines. A part of information has been collected from the web-sites and popular search engines.

LITERATURE REVIEW

Chris (2003)¹ has analyzed 'Telecom advertising in print media.' This research attempted to investigate why Telecom theme are used in advertisement, and the motives that lead companies and advertisers to use sport celebrities and sport concept in advertisements. From study it has been revealed that the appearance of sport celebrities in advertising endorsement occurred more often in Telecom magazines than in other magazines, because their target group is more acquainted with athletes. The sport celebrities that dominated each printed media are related with their target group characteristics.

Subhadip Roy² "An Exploratory Study in Celebrity Endorsements" This study raises three questions and attempts to provide tentative explanations for them. The first two questions relate to locating, in the consumer's perceptual space, the relative position of Indian celebrities and brands on a set of personality attributes. The third question relates to determining the fit between the celebrity and the brands endorsed by her/him. The results suggest that consumers differentially rank both celebrities and brands. Specifically, Amitabh Bachchan ranks high on five personality attributes, and brands such as Pepsi and Coke rank high on four personality attributes. The study further shows that although celebrities may endorse several brands, their personality does not fit well with the personality of the brand they endorse. Evidence offered here supports the basic assumptions of the celebrity-product congruence model.

Smita Sharma³ "Celebrity Endorsement-is it the only Recipe for Marketers" in this study she concluded 4 important that 1.Using celebrities can increase consumers awareness of the ad, capture their attention and make ads more memorable,2.There should be a perfect fit between the brand and celebrity to create a proper association and clarity, 3.Unless accompanied by a powerful idea there's a good chance that the communication could sink into another clutter of celebrity-endorsed advertising, and 4.consumers now look at celebrities as entertainers also, not as mere models. So, the advertising campaigns should send a clear message of entertainment.

Kahle & Homer⁴ conducted a study using celebrities that measured their physical attractiveness, their likeability, and their involvement in the products they were endorsing, and then measured attitude and purchase intentions. Print advertisements were used, eleven real and one fictitious. Their results correspond with the previous studies showing that the more likeable and attractive the celebrity the more favorable attitudes consumers had toward the ad and the product; it also showed consumers. had greater purchase intentions for that product.

Atkin and Block⁵ proposed that a celebrity endorser will have a greater impact on responses, be more credible, and create more favorable attitudes toward the product than a non-celebrity. A whisky magazine ad featuring Telly Savalas, a newspaper beer ad featuring Happy Hairston and another whisky magazine ad featuring Cheryl Tiegs, were all compared to non-celebrity versions of the same ads. For all age groups the celebrity figure was perceived as more competent, trustworthy, and rated more positively than the non-celebrity versions.

DATA ANALYSIS & INTERPRETATION

Hypothesis: There is no significance association between the Gender of the respondents and the attitude towards the celebrity advertisement.

TABLE NO. 1.1: DISTRIBUTION OF RESPONDENTS GENDER WISE

S.No	Gender	Attitude Level			Total
		Negative	Neutral	Positive	
1.	Male	38(15.2%)	7(2.8%)	138(55.2%)	183
2.	Female	12(5.6%)	17(7.6%)	38(16.4%)	67
Total		50	24	176	250

The above table1.1 reveals that the majority of the respondents are falling under the Male category. The calculated χ^2 Value (26.44) is grater than the Table value (3.841) at 5% Level of significance for 1 Degree of freedom Hence the hypothesis that there is significant association between the sex of the respondents and attitude of the respondents towards Celebrity Advertisement.

Hypothesis: There is no significance association between the age of the respondents and the attitude towards the celebrity advertisement.

TABLE NO.1.2: DISTRIBUTION OF RESPONDENTS AGE WISE

S.No	Age	Attitude Level			Total
		Negative	Neutral	Positive	
1.	Below 20 years	9(3.6%)	3(1.2%)	65(26%)	77
2.	21-30 years	13(5.2%)	7(2.8%)	72(28.8%)	92
3.	31-40 years	12(4.8%)	4(1.6%)	16(6.4%)	32
4.	41-50years	7(2.8%)	2(1.6%)	19(7.6%)	28
5.	51years & above	13(5.2%)	3(1.2%)	5(2%)	21
Total		54	19	177	250

It could be understood from table1.2 that the majority of the respondents are falling under the Age group of below 20years & 21-30 years category. The calculated χ^2 Value (35.14) is grater than the Table value (15.507) at 5% Level of significance for 8 Degree of freedom Hence the hypothesis that there is significant association between the Age of the respondents and attitude of the respondents towards Celebrity Advertisement.

Hypothesis: There is no significance association between the marital status of the respondents and the attitude towards the celebrity advertisement.

TABLE NO.1.3: DISTRIBUTION OF RESPONDENTS MARITAL STATUS WISE

S.No	Marital status	Attitude Level			Total
		Negative	Neutral	Positive	
1.	Married	37(14.8%)	13(5.2%)	112(44.8%)	162
2.	Unmarried	11(4.4%)	2(0.8%)	75(30%)	88
Total		48	15	187	250

It is an evident from the above Table 1.3 that the majority of the respondents are falling under the Married category. The calculated χ^2 Value (8.16) is grater than the Table value (3.841) at 5% Level of significance for 1 Degree of freedom Hence the hypothesis that there is significant association between the marital status of the respondents and attitude of the respondents towards Celebrity Advertisement.

Hypothesis: There is no significance association between the Level of Education of the respondents and the attitude towards the celebrity advertisement.

TABLE NO.1.4: DISTRIBUTION OF RESPONDENTS EDUCATION LEVEL WISE

S.No	Education	Attitude Level			Total
		Negative	Neutral	Positive	
1.	Below SSC	0(0%)	2(0.8%)	11(4.4%)	13
2.	SSC	7(2.8%)	1(0.4%)	19(7.6%)	27
3.	Intermediate	11(4.4%)	5(2%)	18(7.2%)	34
4.	Degree	9(3.6%)	16(6.4%)	68(27.2%)	93
5.	P.G	13(5.2%)	7(2.8%)	51(20.4%)	71
6.	Others	1(0.4%)	2(0.8%)	9(3.6%)	12
Total		41	33	176	250

It is clear from the above table 1.4 that the majority of the respondents are falling under the Degree and Pg category. The calculated χ^2 Value (17.64) is less than the Table value (18.30) at 5% Level of significance for 10 Degree of freedom Hence the hypothesis that there is no significant association between the Education of the respondents and attitude of the respondents towards Celebrity Advertisement is accepted.

Hypothesis: There is no significance association between the Level of Occupation of the respondents and the attitude towards the celebrity advertisement.

TABLE NO.1.5: DISTRIBUTION OF RESPONDENTS OCCUPATION WISE

S.No	Occupation	Attitude Level			Total
		Negative	Neutral	Positive	
1.	Business	10(4%)	7(2.8%)	17(6.8%)	34
2.	Employed	9(3.6%)	3(1.2%)	43(17.2%)	55
3.	Professional	22(8.8%)	3(1.2%)	14(5.6%)	39
4.	Students	2(0.8%)	4(1.6%)	29(11.6%)	35
5.	Others	48(19.2%)	15(6%)	24(9.6%)	87
Total		91	32	127	250

The above table 1.5 reveals that the majority of the respondents are falling under the Employed category. The calculated χ^2 Value (60.49) is grater than the Table value (15.507) at 5% Level of significance for 8 Degree of freedom Hence the hypothesis that there is significant association between the Occupation of the respondents and attitude of the respondents towards Celebrity Advertisement.

Hypothesis: There is no significance association between the Level of Income of the respondents and the attitude towards the celebrity advertisement.

TABLE NO. 1.6: DISTRIBUTION OF RESPONDENTS INCOME WISE

S.No	Income	Attitude Level			Total
		Negative	Neutral	Positive	
1.	Below Rs.5, 000/-	12(4.8%)	3(1.2%)	32(12.8%)	47
2.	Rs.5, 000/- to 10,000/-	13(5.2%)	12(4.8%)	68(27.2%)	93
3.	Rs.10, 000/- to 15,000/-	7(2.8%)	1(0.4%)	11(4.4%)	19
4.	Rs.15, 000/- to 20,000/-	17(6.8%)	6(2.4%)	34(13.6%)	57
5.	Rs. 20, 000/- above	3(1.2%)	4(1.6%)	27(10.8%)	34
Total		52	26	172	250

It could be inferred from the above Table 1.6 reveals that the majority of the respondents are falling under the income level of Rs.5, 000/- to 10,000/- category. The calculated χ^2 Value (13.73) is less than the Table value (15.50) at 5% Level of significance for 8 Degree of freedom Hence the hypothesis that there is no significant association between the income of the respondents and attitude of the respondents towards Celebrity Advertisement is accepted.

TABLE NO. 7: DISTRIBUTION OF RESPONDENTS BRAND PREFERENCE WISE

S.NO	Brand	No of Respondents	Percentage
1.	Airtel	122	48.8%
2.	Vodafone	67	26.8%
3.	Idea	32	12.8%
4.	Reliance	18	7.2%
5.	Bsnl	11	4.4%
Total		250	100%

It could be observed from table 1.7 that out of 250 sample respondents 122(48.8%) prefer Airtel as their favorite brand of the mobile service followed by Vodafone 67(26.8%) and Idea 32(12.8%), Reliance 18(7.2%) and Bsnl 11(4.4%).

TABLE NO. 1.8: DISTRIBUTION OF RESPONDENTS ACCORDING TO SOURCE OF INFORMATION WISE

S.No	Sources of Information	No of Respondents	% of Respondents
1.	TV Advertisement	150	60%
2.	Friends/Relatives	31	12.4%
3.	Dealers	19	7.6%
4.	Family Members	12	4.8%
5.	Banners and Hoardings	15	6%
6.	News papers	11	4.4%
7.	Magazines	11	4.4%
8.	Personal observation	0	0%
9.	Sales Persons	1	0.4%
10.	Others	0	0%
Total		250	100%

From the above table 1.8, It could be inferred that out of 250 sample respondents, 150(60%) respondents got the information from TV Advertisement, 31 (12.4%) friends/relatives, 19(7.6%) Delars, 12(4.8%) family members and 15(6%)Banners & Hoardings, 11(4.4%)Newspapers, 11(4.4%) magazines and 1(0.4%) sales persons.

TABLE NO.1.9: SHOWING THE ESSENTIAL FEATURES INFLUENCING BUYING BEHAVIOUR OF THE CONSUMER

S.No	Essential Features	No of Respondents	Percentage
1.	Call Rates	37	14.8%
2.	Clarity of voice	35	14%
3.	Good signals	27	10.8%
4.	Network Coverage	14	5.6%
5.	Value added services	21	8.4%
6.	Roaming Facility	13	5.2%
7.	Technical Expertise	9	3.6%
8.	Attractive plans	24	9.6%
9.	More Talk time	32	12.8%
10.	Status	9	3.6%
11.	Brand Image	17	6.8%
12.	Availability	12	4.8%
13.	Others	0	0%
Total		250	100%

It could be observed from table 1.9 that out of 250 sample respondents giving the importance to the essential features as 37(14.8%) call rates, 35(14%) clarity of voice, 32(12.8%) more times and 27(10.8%) Good signals, 24(9.6%) Attractive plans, 21(8.4%) value added services and remaining respondents are purchasing due to the Brand image, availability, Status and roaming facility, technical Expertise.

Hypothesis: There is no significant difference between Advertisement Attributes.

TABLE NO. 1.10: DISTRIBUTION OF RESPONDENTS BY THEIR OPINION ON ADVERTISEMENT

S.No	Advertisement Attributes	No. Of Respondents					Total
		Very High	High	Neutral	Low	Very Low	
1.	Reach of Product message	9	39	0	12	2	62
2.	Motivation to buy the product	5	57	0	0	0	62
3.	Attractiveness	4	41	0	17	4	66
4.	Reliability	3	21	0	0	0	24
5.	Remembrance	3	33	0	0	0	36
Total		24	191	0	29	6	250

Table 1.10 reveals that the calculated ANOVA Value (0.61) is Less than the Table value (3.36) at 5% Level of significance for n1=4, n2=11 Degree of freedom Hence the hypothesis that there is no significant difference between Brand Advertisement attributes.

TABLE NO.1.11: DISTRIBUTION OF RESPONDENTS ATTRACTED BY THE BRAND CELEBRITY IN THE ADVERTISEMENT

S.NO	Attracted By celebrity Advertisement	No of Respondents	Percentage
1.	Yes	143	57.2%
2.	No	66	26.4%
3.	Occasionally	41	16.4%
Total		250	100%

Table 1.11 shows that 143(57.2%) of the respondents are responded that they are attracted Brand celebrity, 66(26.4%) respondents are not attracted by the celebrities in the Advertisement and 41(16.4%) of the respondents are attracted occasionally.

TABLE NO.1.12: MOST INTERESTING TYPE OF CELEBRITY

S.NO	Celebrity Type	No of Respondents	Percentage
1.	Film Star	32	12.8%
2.	Sports Star	183	73.2%
3.	Spokes person	22	8.8%
4.	Others	13	5.2%
Total		250	100%

The above table clearly states that out of the 250 respondents majority 183(73.2%) of the respondents are responded that sports stars are created more interested, 32(12.8%) of the respondents said that they are attracted by the Film stars in the Brand Advertisement and 22(8.8%) are with sports stars and remaining 13(5.2%) are attracted by the others.

Hypothesis: There is no significant difference between Celebrity Qualities.

TABLE NO.1.13: DISTRIBUTION OF THE RESPONDENTS BASED ON RESPONSE AND BRAND CELEBRITY QUALITIES

S.No	Response Level	Celebrity Qualities				
		Credibility	Likeability	Energetic	Charisma	Recognition
1.	Very High	8	7	4	2	7
2.	High	40	55	17	52	29
3.	Neutral	0	0	0	0	0
4.	Low	14	0	11	0	1
5.	Very Low	0	0	3	0	0
Total		62	62	35	54	37

Table 1.13 reveals that the calculated ANOVA Value (0.06) is Less than the Table value (3.36) at 5% Level of significance for n1=4, n2=11 Degree of freedom Hence the hypothesis that there is no significant difference between Brand celebrity qualities.

SUMMARY OF FINDINGS

The research identified the following Findings on the basis of analysis and interpretation of the data from respondents.

- Majority of respondents 73.2% are male and 64.8% of the total respondents are married and the Educational Qualification, Major portion of the respondents 37.2% is with Degree Level and 28.4% of them are post-graduates.
- Most of the respondents who are belong to the age group below 30years and The majority of the people served are Employed, students and the income levels as followed (37.2%) 5,000/- to 10,000 and (22.8%) respondents 15,000/- to 20,000.

3. All most 150(60%) of the respondents feel that TV is the most suitable media to create the Awareness about the Brand.
4. Reach of the product message, Motivation to buy and attractiveness, remembrances are High in the case of celebrity advertisement compared to the ordinary advertisement.
5. As far the qualities of celebrities are concerned, the respondents (62 out of the 250) indicated that Credibility, likeability with highest rank followed by the charisma, energetic Recognition.
6. Most of the respondents giving the importance to the essential features like Low call rates, clarity of voice, more times and Good signals, Attractive plans.
7. From the research identified that most of the respondents preferring the 3 Brands as Airtel, idea and Vodafone due to their call rates, Attractive plans and Network coverage.
8. Through in-depth personnel interview identified that the most of the Business people are using the more than one mobile service because of the call rates and talk time.
9. All the respondents feel that sports celebrities creating high interest in the brand advertisement and followed by the Film stars, Spokes persons.
10. The other interested findings are that the respondents are interested to see Politicians & Socially active people as Brand celebrities for these mobile services.
11. Form the study observed that All-most all the respondents are having the positive opinion on the Brand Celebrities so The Brand celebrity Advertisement is positively increasing the purchasing intentions of the consumers.

SUGGESTIONS

1. Frequently change the Band Celebrity Advertisement with New ideas and innovative way for quick consumer connect.
2. Companies can use Multiple Celebrity Endorsement for gaining the more attention in consumers.
3. Generally consumers get confused with the advertisement when a same celebrity is endorsing two or more brands. To avoid this, the advertisement focus should be on the celebrity and the brand together.
4. Select a celebrity who can suppose to lend instant celebrity as well as aspiration values to the brand.
5. Age and sex of the respondents have some impact on their choice of the celebrity. There fore companies can select the celebrity based on the product category, celebrity's image, target consumers and suitability of the celebrity with the product.
6. While selecting a celebrity to endorse a product, the company and the advertising agency could give the more importance to the Credibility, Likeability and recognition of the celebrity.
7. Companies can select the Regional or local stars as brand celebrities because of their recognition and fame in that geographic area.

CONCLUSION

A brief assessment of the current market situation indicates that celebrity endorsement advertising strategies can under the right circumstances. There is no doubt about a celebrity's power in popularizing brands. Celebrities attract the attention, create interest to see the particular advertisement, can provide a point of differentiation, increase the advertising impact and if delivered in the correct manner, can be quite effective. The most crucial issue related to celebrity endorsements is the choice of the right celebrity for the company and celebrity - audience match. For a successful celebrity advertisement, the focus should be on the celebrity and the brand together.

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A STUDY ON THE SHOPPING PATTERN OF TOURISTS' TO THE DUBAI SHOPPING FESTIVAL

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ABSTRACT

Shopping is an important tourist activity. This study compares tourists from 23 nationalities on their product purchase pattern during a shopping festival. Data was collected from 604 tourists during the Dubai Shopping Festival, 2013. The findings offer insights to the retailers on the products purchased by the tourists during the festival.

KEYWORDS

Dubai Shopping Festival, Nationality, Product Purchase, Shopping Festival.

INTRODUCTION

In the hyper competitive tourism industry, destinations contend with each other to attract international tourists and are taking initiatives to promote shopping as a tourism product (Jansen-Verbeke 1991), since shopping is a tourists activity and can also be a reason for undertaking a travel. Tourists spend considerable amount of money by shopping for souvenirs, arts and crafts. Availability of products, lower taxes and price advantage of various goods in comparison to the tourists' home country also drive tourists to purchase goods (Timothy and Butler, 1995). Souvenirs serve as reminders of their trip (Swanson, 2004) which ranges from postcards, local craft, jewellery, fine art and other items, which are important for the retail businesses located in the tourist destinations.

LITERATURE REVIEW

National culture of tourists impacts their shopping preferences (McCleary *et al.*, 2006). The products purchased vary according to the cultural background (Mak *et al.*, 1999; Hobson and Christensen, 2001; Reisinger and Turner, 2002; Park and Reisinger, 2009). Many destinations have become well-known for their retail offerings and knowledge about how tourists shop is imperative to researchers and retailers (Rosenbaum and Spears, 2005).

IMPORTANCE OF THE STUDY

Studies on shopping as a tourist activity have focused on purchase of souvenirs in the context of pleasure travel. There is a dearth of research in terms of shopping festival and the shopping pattern of tourists during a shopping festival. This study compares tourists from different nationalities on their product purchase, during a shopping festival.

RESEARCH HYPOTHESIS

The research hypothesis was developed from related literature discussed above.

H1: Tourists from different nationalities differ on the products purchased

RESEARCH METHODOLOGY

Data was collected from 604 tourists from 23 nationalities during the VXII Dubai shopping Festival, on the products purchased during the festival. The respondents were from UK, France, Azerbaijan, Kazakhstan, South Africa, Kenya, Japan, China, Australia, New Zealand, Philippines, South Korea, India, Pakistan, Saudi Arabia, Jordan, Oman, Kuwait, Russia, USA, Canada, Uzbekistan and Egypt.

ANALYSIS AND FINDING

A series of Chi square tests were conducted to assess if the product purchase pattern differed across the nationalities. Tables 1, 2 details Pearson's Chi Square and Cramer's V values for the products purchased. Pearson's Chi Square value indicates significant difference in the product purchased by the different nationalities. Cramer's V values were above .480 for all products indicating a strong relationship between the variables "Products" and "Nationality".

TABLE 1: SUMMARY OF PRODUCT PURCHASED VS. NATIONALITY

Products Purchased \ Nationality	Handbag	Designer Clothes	Watch / Jewellery	Perfume	Cosmetics	Shoes	Gold	Sportswear
UK	62	0	58	0	0	3	3	0
France	53	0	65	0	0	0	0	0
Azerbaijan	91	18	41	0	0	0	0	0
Kazakhstan	77	17	6	6	0	6	6	0
South Africa	60	55	65	65	0	50	50	45
Kenya	80	60	60	65	0	55	80	75
Japan	69	70	65	61	71	5	3	0
China	2	57	53	0	0	0	59	0
Australia	44	60	65	2	2	70	48	0
New Zealand	54	80	40	0	0	60	27	0
Philippines	66	4	4	57	57	70	4	65
South Korea	63	60	59	56	63	69	0	63
India	65	52	68	61	84	77	81	77
Pakistan	69	53	69	42	69	84	84	79
Saudi Arabia	63	75	84	54	13	58	63	4
Jordan	50	63	75	50	0	50	75	0
Oman	91	55	73	100	0	100	100	0
Kuwait	60	60	70	60	0	80	70	0
Russia	76	69	59	2	0	80	58	0
USA	62	5	54	0	0	62	67	0
Canada	65	0	65	0	0	71	71	0
Uzbekistan	81	38	25	0	0	0	0	0
Egypt	83	59	50	83	0	58	33	58
Pearsons Chi Square	1.838	1.818	1.388	3.120	3.844	2.771	2.344	3.780
Df	22	22	22	22	22	22	22	22
Cramers V	.552	.549	.480	.719	.798	.678	.623	.792

Significant at the .05 level

TABLE 2: SUMMARY OF PRODUCT PURCHASED VS. NATIONALITY

Products Purchased \ Nationality	Electronics	Chocolates	Fur	Souvenir	Postcard	Books	Cigarettes
UK	61	0	0	74	74	90	90
France	65	0	0	71	71	100	100
Azerbaijan	64	0	46	9	9	9	9
Kazakhstan	59	6	41	6	6	6	6
South Africa	80	45	5	50	50	5	5
Kenya	85	55	0	80	80	0	0
Japan	5	71	68	67	67	0	65
China	2	0	0	0	0	0	0
Australia	2	2	0	61	50	46	2
New Zealand	0	0	0	87	67	67	0
Philippines	52	61	0	97	96	0	87
South Korea	69	63	65	100	100	6	94
India	87	68	0	100	100	0	100
Pakistan	80	84	0	100	100	0	100
Saudi Arabia	50	50	0	13	13	0	13
Jordan	75	63	0	0	0	0	0
Oman	82	55	0	0	0	0	0
Kuwait	50	60	0	0	0	0	0
Russia	66	7	61	2	2	0	0
USA	58	0	2	60	56	49	0
Canada	77	0	0	65	53	65	0
Uzbekistan	87	0	56	0	0	0	0
Egypt	75	50	8	58	58	0	0
Pearsons Chi Square	2.415	2.845	2.859	3.271	3.139	3.602	5.261
Df	22	22	22	22	22	22	22
Cramers V	.603	.687	.689	.736	.722	.773	.934

Significant at the .05 level

Europeans purchased handbags, watch/jewellery, electronics, souvenirs, postcards, books and cigarettes. Tourists from CIS countries and Russia purchased handbags, watch/jewellery, electronics and fur. The Uzbeks in addition purchased designer clothes. Tourists from South Africa and Kenya tended to purchase more of handbags, designer clothes, watch/jewellery, perfume, shoes, gold, sportswear, electronics, chocolates, souvenir, and postcard. Japanese and South Koreans tended to purchase handbags, designer clothes, watch/jewellery, cosmetics, perfumes, chocolates, fur, souvenirs, postcards and cigarettes. The South

Koreans additionally purchased shoes, sportswear, and electronics, while the Chinese purchased designer clothes watch/jewellery, gold, Tourists from Australia, New Zealand, tended to purchase similar product categories namely- handbag, designer clothes, watch/jewellery, perfume, shoes, gold, souvenir, postcard and books. The Filipino's purchased all categories of products except designer clothes, watch/jewellery, gold, fur and books. Tourists from India and Pakistan purchased all products except fur, books. Tourists from the Middle East (Saudi Arabia, Jordan, Oman, Kuwait, and Egypt) purchased similar products, purchasing all products except cosmetics, sportswear, fur, books and cigarettes. The Egyptians additionally purchased Souvenirs and postcards. Tourists from USA and Canada were also similar in their product purchase pattern. They tended to buy handbags, watch/jewellery, shoes, gold, electronics, souvenirs, postcards and books.

DISCUSSION OF RESULTS

The type of product purchased during the shopping festival differed across the nationalities, with tourists from the same region showing similarity in the products purchased. Findings also suggest that tourists purchase mass produced products and general items as opposed to previous findings which suggest that tourists' preferred purchasing local specialty products (Wilkins, 2011). This may be because, in the context of a shopping festival, retailers' offerings include mass produced products. The findings of this study conforms with that of Rosenbaum and Spears (2005) which postulates that there exists a difference in the pattern of products purchased among the nationalities. The purchase pattern of Japanese confirms with previous studies (Keown, 1989; Timothy, 2006) wherein they purchased products - handbags, clothes, perfumes, cosmetics, chocolates, souvenir and cigarettes. Although they had lower mean difference scores on Shopping Festival when compared to other nationalities, the Japanese nevertheless purchased products. The Japanese are considered to be the best shoppers, with shopping being driven by their cultural and social practices (Hobson and Christensen, 2001). The purchase pattern of Koreans is analogous to that stated by Hobson (1996). Study by Rosenbaum indicates that tourists (Chinese, South Koreans, Australians, New Zealanders purchase vitamins while Chinese and Japanese purchase furniture and home furnishing on their travel trips. The results of this study indicate that products such as nutritional supplements, home appliances, home furnishing, furniture and crystals were not patronised by tourists visiting a shopping festival.

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ANALYSIS OF SIZE, GROWTH AND PROFITABILITY IN INDIAN TWO AND THREE WHEELER SECTOR COMPANIES

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ABSTRACT

The growth of industrial sector income, improve the standard of living, build infrastructure and create balanced economy which ultimately increases GDP and tax revenue of the government. Hence, it is necessary to analyse the size, growth and profitability relationship in the industry. In this paper an attempt has been made to analyse the relationship between size and profitability and growth and profitability of the selected companies of two and three wheeler sector of Indian Automobile Industry. The study results showed that firm size affecting profitability. Among the selected companies, some companies showed positive relationships between size and profitability. While others did not. Similarly, the study also found that the positive effects of growth on profitability are greater than the negative effects. These findings should be useful to the management to decide on the extent to which firm size and growth needs to be monitored and controlled.

KEYWORDS

Profitability, Growth, Size, Indian Automobile Industry, Two and Three wheeler sector, Profit Margin, Profit Rate and Return on capital employed.

INTRODUCTION

Corporate must have a multiplicity of objectives instead of a single objective, profit, which has been traditionally over emphasized. India's development strategy places a heavy emphasis on the creation of a well-diversified industrial base to realize the dream of industry-led development. Liberalization has been a key ingredient of recent economic policies in India and elsewhere, based upon the notion that removing restrictions on domestic economic activity as well as on the trade relations with other countries has a beneficial impact on the economy. These changes have provided great opportunities for the Indian corporate sector. The reforms are helpful by increasing access to foreign technology and making imports of capital and intermediate goods cheaper. Improvements in infrastructure and more flexible labour laws will facilitate the future growth of India's manufacturing sector. The ever increasing importance and role of the corporate sector in the economic growth of a country, particularly, in a developing country like India, have attracted several academicians, professional institutions, researchers and administrators to conduct diversified studies in this area. It has also been the primary concern of business practitioners (managers and entrepreneurs) in all types of organizations since corporate performance has implications for organization's health and ultimately its survival. High performance reflects the management's effectiveness and efficiency in making use of the company's resources and this in turn contributes to the country's economy at large. The growth of the industrial sector promises to spur employment opportunities, increase per capita income, improve the standard of living, build infrastructure, and create a balanced economy which ultimately increases Gross Domestic Product and tax revenue of the government. Hence, there is a need to study the size, growth and profitability relationship of companies so as to determine the overall success of an industry.

OBJECTIVES OF THE STUDY

The primary purpose of the present study is to obtain a true insight into the relationship between size and profitability and growth and profitability of the selected companies of two and three wheelers sector of Indian automobile industry.

RESEARCH METHODOLOGY

SELECTION OF SAMPLE

Keeping in view the scope of the study, it is decided to include all companies under two and three wheelers sector of Indian automobile industry working before or from the year 1996-97. But owing to several constraints such as non-availability of financial statements or non-working of a company in a particular year etc., it is compelled to restrict the number of sample companies to nine. There are thirteen companies operating in the two and three wheelers sector of Indian automobile industry. Out of thirteen companies of the selected sector, thirteen years data is available for nine companies only. Therefore, all the nine companies are included in the sample. The list of companies selected in the present study along with their year of incorporation, ownership and its market share is presented in Table 1. It is evident from Table 1 that the sample companies represent 99.81 percentage of market share in two and three wheelers sector. Thus, the findings based on the occurrence of such representative sample may be presumed to be true representative of two and three wheelers sector of automobile industry in the country. The period of study is 1996-97 to 2008-09.

SOURCES OF DATA

The study is mainly based on secondary data. The major source of data analyzed and interpreted in this study related to all those companies selected is collected from "PROWESS" database, which is the most reliable on the empowered corporate database of Centre for Monitoring Indian Economy (CMIE). The database provides financial statements, ratio analysis, funds flow, cash flow, product profiles, returns and risks on the stock market etc. Besides prowess database, relevant secondary data have also been collected from BSE Stock Exchange Official Directory, CMIE Publications, Annual Survey of Industry, Business Newspapers, Reports on Currency and Finance, Libraries of various Research Institutions, through Internet etc.

A. FIRM SIZE AND PROFITABILITY

Economic theory prescribes that increasing firm size allows for incremental advantages because the size of the firm enables it to raise the barriers of entry to potential entrants as well as gain leverage on the economies of scale to attain higher profitability. Key features of a large firm are its diverse capabilities, the abilities to exploit economies of scale and scope and the formalization of procedures. These characteristics, by making the implementation of operations more effective, allow larger firms to generate superior performance relative to smaller firms Penrose (1959). Baumol (1959) suggested that the larger firm may be in a position to earn a higher rate of return in its investment than the smaller firm because it has all the options of a smaller firm open to it and in addition can undertake projects which are of large scale and denied to smaller firms. A similar argument had earlier been put forward by Steindl (1945). Besides large firms have an advantage over smaller firms as they can enter variety of product lines which gives them the benefits both the scale and the size. Also, bigger firms

being more efficient in Research & Development (R&D) which together with their ability to spend larger sums on advertising, substantially raise the cost of entry to a new comer. This creates powerful monopoly position, giving large firms a degree of independence in pricing and output decisions. It is, therefore, important to test this hypothesis and to analyze the relationship between the size of the firm and profitability.

THEORETICAL BACKGROUND AND THE DEVELOPMENT OF HYPOTHESES

A good number of researchers had investigated the relationship between firm size and profitability. The pioneering studies conducted in this field is attributed to **Hall and Weiss (1967)**¹³. Their empirical analysis of fortune 500 Industrial Corporations for the years 1956-1962 aimed at testing the relationship between profit rates and other appropriate variables such as firm size, concentration, leverage and growth. Results of the study showed that firm size exhibit a positive relationship with profitability. The Hall and Weiss study, however, considered only firms of optimal size. A comparable study was made by **Marcus (1969)** who re-evaluated earlier findings against new data within an improved analytical framework. Marcus study included the entire distribution of firms. Results showed that firm size influences profitability in some, but not all industries. **Amato & Wilder (1985)** conveyed that the relationship between firm size and profitability may be positive for some firm size ranges and negative for others. Again, if the size reached a threshold, additional expansion of firm size may further separate ownership from control. This suggests that the relationship between firm size and profitability can become negative beyond the threshold firm size. Large firms can lead to increased coordination requirements, which in turn, make the managerial task more difficult leading to organizational inefficiencies and lower profit rates **Downs (1976)**. Further, it has been suggested that increased size tends to be associated with higher bureaucratization **Ahuja & Majumdar (1998)**. Another plausible argument to justify the possibility of a negative firm size-profitability relationship can be found in the concept of **x-inefficiency Leibenstein (1976)**. X-inefficiency is a measure of the degree to which costs are higher than they need to be. Whilst diseconomies of scale refers to the inadequacy in matching resource requirements to produce more, x-inefficiency reasons that general managerial or technological inefficiency in larger firms cause higher production costs which end up in reductions in the bottom line i.e. profit rates decline.

Various studies attempted in the context of size and profitability relate to the developed countries. Most of the results come out with varying opinions. Some studies postulate negative results while some studies have evidence supporting the positive notion. The studies by **Marcus Matityahu (1969)**, **Sumit K. Majumdar (1997)**, **Michaelas et al., (1999)**, **Cassar & Holmes (2003)** and **Darko Tipuric (2002)**, showed the positive relationship between firm size and profitability. On the other hand, studies **Radice (1971)**, **Whittington (1980)**, **Capon et al., (1990)**, **Schneider et al., (1993)**, **Rajan and Zingales (2000)**, **Dhawan (2001)**, **Goddard Tavakoli and Wilson (2005)**, **Bala Ramasamy et al., (2005)** and **Abdussalam Mahmoud Abu-Tapanjeh (2006)** postulated negative relationship between firm size and profitability. However, there are some studies that concern developing countries in general and India in particular. Efforts to study size and profitability have been made in some of the studies related to Indian industries. The studies by **Siddharthan and Das Gupta (1983)**, **Nagarajan and Barthwal (1990)**, **Shanta (1994)**, **Vishnu Kanta Purohit (1998)**, **Vijayakumar and Kadirvel (2003)** and **Renu Luthra and Mishra (2006)** observed positive relationship between large size firms and profitability. Further, the studies by **Agarwal (1978)** and **Kuldip Kaur (1998)** found a negative association between firm size and profitability of Indian industries.

Based on previous literature, it is difficult to make a clear, let alone a final prediction of the overall effects of the firm size-profitability relationship from the studies carried out, the association appears to differ depending on the industry under analysis. Given this ambiguity, it seems prudent to empirically resolve, independently, the association between firm size and profitability on a case-by-case basis and avoid the tendency to generalize. Thus, from this theoretical background, the advances advances the following hypothesis:

H₀: Firm size positively affects profitability.

The models

The study considered the following regression models.

Model 1: PM as the dependent variable

$$PM = \infty_{f,y} + \beta_1 (\ln NS_{f,y}) + I_{fy}$$

Model 2: PR as the dependent variable

$$PR = \infty_{f,y} + \beta_1 (\ln NS_{f,y}) + I_{fy}$$

Model 3: ROCE as the dependent variable

$$ROCE = \infty_{f,y} + \beta_1 (\ln NS_{f,y}) + I_{fy}$$

Where,

PM	measures the firm's profitability with gross profit as a percentage of sales turnover for firm (f) in year (y).
PR	measures the firm's profitability with gross profit as a percentage of total assets for firm (f) in year (y).
ROCE	measures the firm's profitability with net profit before tax as a percentage of capital employed for firm (f) in year (y).
$\infty_{f,y}$	constant term for firm (f) in year (y)
β	regression co-efficient
$\ln NS_{f,y}$	natural logarithm of Net Sales (size) for firm (f) in year (y)
I_{fy}	disturbance term for firm (f) in year (y).

RESULTS AND DISCUSSION

With a view to estimate the relationship between the size and profitability, this study used semi-logarithmic specification. This helps in analyzing changes in the results due to different measures of profitability and size. The first two measures of profitability [Profit Margin (PM) and Rate of Profit on assets (PR)] are representative of short-term profitability and the remaining one measures [Return on Capital Employed (ROCE)] long-term profitability. Table 2 to 4 show the results of various regression equations estimated to test the relationship between size and profitability. The overall results presented in the tables are encouraging. Co-efficient is statistically significant and goodness of fit of the model is also satisfactory.

The analysis shows that size has statistically significant effect on profitability in Indian two and three wheelers sector. However, in the overall pooled sample, firm size showed significant negative relation with profitability in the selected sector. This is consistent with many other studies, such as that by **Singh and Whittington (1968)** and **Goddard, Tavakoli and Wilson (2005)**. The result is contradictory to the findings of **Samuels and Smith (1968)** who postulated positive relationship between size and profitability. This could be due to the changes in output either because of increased demand or reduction of costs. The reduction in costs could come directly from more productive capital equipment while increased demand could stimulate expansion on the part of the firm, hence affect profitability. It is evident from the results that one unit increase in sales had resulted in 0.27 units decrease in profitability. Thus, the study does not support the hypothesis, as the effect of size on profitability measured by profit margin (PM), is negative at 1 per cent level. The sector wise analysis showed significant negative relationship between size and profitability i.e., one unit increase in sales will lead to 0.53 units decrease in profitability in two and three wheelers sector which is significant at 1 per cent level. The results of the equation for two and three wheelers sector indicated that Bajaj Auto Ltd, LML Ltd, Hero Honda Motors Ltd and Kinetic Engineering Ltd have shown positive relationship. Among them, only three companies (Bajaj Auto Ltd, LML Ltd and Kinetic Engineering Ltd) have shown statistically significant relationship. In these firms, more than 38 per cent of variations in profitability are explained by sales size. On the contrary, Maharashtra Scooters Ltd, TVS Motor Company Ltd, Kinetic Motor Company Ltd, Majestic Auto Ltd and Scooters India Ltd showed negative relationship. However, it was significant in the case of Majestic Auto Ltd.

Table 3 shows the results of regression of Profitability Rate (PR) fitted on size in all the selected companies and the whole automobile industry. The regression co-efficient 'b' relating profitability to sales (size) in the linear regression equation varies between companies. Similarly the table also shows that the degree of explanation of profitability (R²) achieved in different companies also varied to a considerable degree. Equations fitted for profitability (Profit Rate) is hardly significantly different from the equation fitted for profit margin (shown in Table 2) as far as better explanation (R²) is concerned. Only in the case of Maharashtra

Scooters Ltd, positive relationship between profitability and size can be seen, while these were negative in the case of regression of profit margin with size (shown in Table 2).

Table 4 shows the results of regression of long-term profitability (ROCE) fitted on size. The simple linear regression model describing the relationship between long-term profitability and size showed both positive and negative relationship (shown in Table 2 and 3). Here, the maximum explanation of profitability (i.e., highest R^2) through sales is in the case of TVS Motor Company Ltd as in Table 4. Here, 65 per cent of the variations in long-term profitability are explained by sales. The co-efficient is also statistically significant and goodness of fit of the model is also satisfactory.

B. GROWTH AND PROFITABILITY

It is well established that both growth and profitability are important dimensions of a firm's performance. When the study of growth is undertaken in terms of systematic influences which may affect growth, rather than regarding the growth as a wholly chance phenomenon, then the most important systematic influence on growth, is that of profitability. Thus, the relationship between growth and profitability is of considerable interest both from theoretical and practical point of view. A primary difficulty in studying this phenomenon is the complex inter-relationship between growth and profitability. There are sound theoretical arguments that growth affects future profitability and that profitability allows future growth. Of course, industry conditions and economic cycles affect the competitiveness of the market environment, and in turn both growth and profitability of firms. Micro economic perspectives argue that a trade-off often exists between short-term growth and profitability. Many econometric studies have empirically established relationships between growth and profitability, but the exact nature of these relationships remains unresolved.

GROWTH AND PROFITABILITY – THEORETICAL PERSPECTIVES AND EMPIRICAL EVIDENCE

Basic economic theory, assuming inverted U-shape cost curves, implies that firms grow until they have reached the size where average variable cost is at minimum. In that range, increased size would, ceteris paribus, be associated with improved profitability. Assuming rational behavior, the firm would refrain from expanding beyond that point. Applying the more realistic assumptions of L-shaped cost curves the same rationally behaving firm would grow atleast to the size where the cost curve flattens out, which corresponds to the idea of minimum efficient scale in industrial economics. In this scenario, cost concerns do not hinder additional growth, but in the size range beyond minimum efficient scale profitability would be either be unrelated to (increase in) size or the relationship would be determined by factors other than production cost. In short, basic econometric theory suggests that atleast up to a point, economies of scale ensures that growth is rewarded with increased profitability. By contrast, the strategy school emanating from the Boston Consulting Group in the 1970s is intended as an actionable theory for business organizations in the world. According to this theory not only static economies of scale in production, but experience curve effects pertaining to all aspects of the firm's operations can be the basis of cost advantages. This leads to a cost advantage for the firm with the highest cumulative volume in any industry and hence to a positive relationship between market share and profitability. Based on evidence of a positive relationship also between industry market growth and profitability the recipe for profitable growth begins to launch and secure large market shares for new products in high growth markets.

Further, it is also argued that growth displays a favorable impact on its profitability except for the samples of bigger firms. It might be argued that smaller firms, being more flexible, tend to take chances more readily than their bigger rivals. It may also be that smaller firms can profitability exploit chances by expanding sales at unreduced prices. In a similar vein, and more closely related to the reality of young and small firms, the literature on first mover advantages, **Lieberman and Mongomer** suggest that new entrants can create a lasting advantage by rapidly building a dominant position for themselves in the market. **Mac Millan and Day** suggested that new firms become more profitable when they enter markets quickly and on a large scale. Therefore, there are a number of rather strong and straight forward theoretical reasons to believe that growth leads to profitability. However, even in the supportive literature it is observed that growth does not always enhance profits. Growth beyond minimum efficient scale is associated with unknown or reversed effect on profitability, and pursuing growth in low growth markets or by increasing sales for products with low initial market share is no guaranteed recipe for financial success.

The use of growth as a measure of firm performance is generally based on the belief that growth is a precursor to the attainment of sustainable competitive advantages and profitability. In addition, larger firms have higher rates of survivals and may have the benefits of associated economies of scale. The alternate view is that fast growing firms may encounter difficulties associated with growth that leads to reduced profitability and perhaps financial difficulty. Overall, it is difficult to imagine sustained growth without profitability. Without funding growth through retained earnings, the firm must rely on additional debt or equity finance. The relationship between growth and profitability is therefore an important consideration and to date there has been little agreement on the relationship between these two measures.

Marris was the first to develop a rigorous model to analyze the growth and profits of firms. In the Marris model there is no optimum firm size. He deals with optimum growth path given by the demand and supply of growth functions, rather than the static demand and supply functions. According to this model, a firm's ability to shift the demand and supply functions (growth-profit frontier) depends on the environment in which it operates. According to **Greiner** the relationship between company growth and profitability can be positive or negative. On the other hand, increased growth can contribute to a breakdown of informal relationships established over time in companies, greater growth requiring greater formality in relationship at work, which in the short-term can be difficult to achieve efficiency, thus leading to diminished company profitability. On the other hand, greater growth can result in greater profitability, as a result of increased motivation among employees who expect greater gains in the future, gains resulting from greater company size. With several theoretical perspectives suggesting that growth and profitability are positively related, one would expect the empirical evidence to clearly demonstrate a positive association between the two, whether or not the research can determine the direction of casualty. Accordingly, it has been found that growth had a positive impact on profitability, providing support for explanations that indicate a positive relationship. On the other hand, studies postulated negative relationship between growth and profitability.

In summary, the empirical evidence on the relationship between growth and profitability performance is inconclusive. That is, despite theoretical support of different kinds, there is no evidence of a substantial, universal and positive relationship between growth and profitability. This demonstrates while the two dimensions of performance sometimes move together as suggested by theories reviewed, there are frequent other instances when growth-profit relationship is negative or neutral. But in an expanding economy, one should expect a positive association between growth and profitability of firms. However, the factors affecting the willingness to grow are such that these are likely to vary between different industries. These are also likely to vary within the same industry at different points of time. This means that the magnitude and precise form of the positive association between profitability and growth will be different in different industries at a particular time and in the same industry at different times. From the above reviews, the researcher concludes that most of the studies support the general notion and so the postulates the following hypothesis:

Ho: Firm's growth positively affects profitability.

The models:

The study considered the following regression models.

Model 1: PM as the dependent variable

$$PM_{ij} = \beta_0 + \beta_1 \text{GROW}_{ij} + e_{ij} \dots\dots\dots 1(a)$$

Model 2: PR as the dependent variable

$$PR_{ij} = \beta_0 + \beta_1 \text{GROW}_{ij} + e_{ij} \dots\dots\dots 1(b)$$

Model 3: ROCE as the dependent variable

$$ROCE_{ij} = \beta_0 + \beta_1 \text{GROW}_{ij} + e_{ij} \dots\dots\dots 1(c)$$

Where,

PM	measures the firm's profitability with gross profit as a percentage of sales turnover for firm (i) in the year (j)
PR	measures the firm's profitability with gross profit as a percentage of sales turnover for firm (i) in the year (j)
ROCE	measures the firm's profitability with return on capital employed as a percentage of sales turnover for firm (i) in the year (j)
β_0	constant term for firm (i) in the year (j)
β_1	regression co-efficient
GROW _{ij}	compound growth rate of net sales (growth) for firm (i) in the year (j)
e_{ij}	disturbance term for firm (i) in the year (j).

RESULTS AND DISCUSSION

The relationship between growth and profitability has been explored by means of regression analysis. The results are presented in Table 5. The table shows the extent to which changes in profitability margin are explained by the changes in growth of sales. The maximum value of co-efficient of determination (R^2) is in the case of whole industry i.e., 67, this means that 67 per cent changes in profitability margin are explained by growth of sales. The value of regression co-efficient 'b' showed positive impact of growth on profitability of two and three wheelers sector. The value of regression co-efficient 'b' is also the highest for the whole industry (0.38), followed by two and three wheelers sector (0.32). These co-efficients are statistically significant at 1 per cent level.

Table 5 also shows the results of regression of profit margin on growth of sales of companies selected for the study. Inter-companies differences regarding the relation between profitability and growth are evident from the table. These differences were expected because the firm's ability to grow and willingness to grow depend on many factors and these factors differ from company to company. Among the two and three wheeler companies, the highest value of R^2 (0.67) is in the case of Kinetic Engineering Ltd suggesting that 67 per cent changes in profit are explained by growth of sales. All the companies showed positive impact of growth of sales on profitability during the study period. The values of regression co-efficient 'b' ranged between 0.01 in Bajaj Auto Ltd and 1.01 in Kinetic Engineering Ltd indicating thereby that one per cent change in growth leads to 1 per cent to 1.01 per cent statistically significant change in profitability in the case of companies under two and three wheelers sector. Correlation co-efficient recorded the highest value of 0.82 for Kinetic Engineering Ltd followed by TVS Motor Company Ltd (0.67), whole industry (0.60) and two and three wheelers sector (0.48). These results are consistent with the results of **Capon et al. and Serrasqueiro** who found a positive relationship between growth and profitability in their study. However, these regression co-efficients are significant only in five out of nine companies. But all companies showed positive relationship between the two variables except Kinetic Motor Company Ltd.

High value of correlation co-efficient (0.82) for Kinetic Engineering Ltd also indicates that there is a significant positive correlation between profitability and growth of sales, as far as this company is concerned. Highest value of R^2 (0.67) in this company also indicates that 67 per cent variations in profitability are explained by variations in growth of sales. Profitability is almost unaffected by growth of sales in the case of Bajaj Auto Ltd, Hero Honda Motors Ltd and Majestic Auto Ltd (value of R^2 being either 0.01 or 0.02). After Kinetic Engineering Ltd, the next best fit of the regression equation is in the case of Maharashtra Scooters Ltd (0.58), followed by TVS Motor Company Ltd (0.45), Kinetic Motor Company Ltd (0.37) and Scooters India Ltd (0.33) and this again is statistically significant. Further, the regression co-efficient 'b' is negative (-0.28) in the case of Kinetic Motor Company Ltd. This explains that one per cent change in growth of sales leads to 0.28 per cent decrease in profitability. This proves that beyond a certain growth rate, the relationship between growth and profitability may be negative.

Table 6 shows the results of regression of profitability rate (PR) fitted on growth of sales in all the selected companies of two and three wheelers sector and the whole industry. The regression co-efficient 'b' relating profitability to growth in the linear regression equation varies between companies. Similarly, the table also shows that the degree of explanation of profitability (R^2) achieved in different companies also varied to a considerable degree. Here, the maximum explanation of profitability (i.e., highest R^2) through growth of sales is in the whole industry (38 per cent) and two and three wheelers sector (27 per cent). The positive values of correlation co-efficient show positive relationship between profitability and growth. Among the two and three wheelers sector companies, 7 per cent to 64 per cent variations in profitability are explained by growth of sales. Regression co-efficient in five out of nine companies are statistically significant either at 1 per cent or 5 per cent or 10 per cent level of significance. All the correlation co-efficient are also having positive values except in the case of Kinetic Motor Company Ltd, Hero Honda Motors Ltd and Majestic Auto Ltd. This suggests that different companies have different extents of relationship between profitability and growth of sales (both positive and negative). Similarly, in Hero Honda Motors Ltd and Majestic Auto Ltd, profitability is unexplained by growth of sales as suggested by zero value of R^2 . Equation fitted for profitability rate (PR) is hardly significantly different from the equation fitted for profitability margin (PM) (shown in Table 5).

Table 7 shows the results of regression of Return on Capital Employed (ROCE) fitted on growth of sales in two and three wheelers sector and the whole industry. The regression co-efficient 'b' relating profitability to growth in the linear regression equation varies between companies. Similarly, the table also shows that the degree of explanation of profitability (R^2) achieved in different companies also varied to a considerable degree. Here, the maximum explanation of profitability (i.e., highest R^2) through growth of sales is in the case of whole industry (58 per cent) and two and three wheelers sector (54 per cent). The positive values of correlation co-efficient confirm positive relationship between profitability and growth. Among two and three wheelers sector companies, 2 per cent to 66 per cent variations in profitability are explained by growth of sales. Regression co-efficient in 6 out of 9 companies are statistically significant either at 1 per cent or 5 per cent or 10 per cent level of significance. All the correlation co-efficient are having positive values except in the case of Kinetic Motor Company Ltd which shows that there is a significant positive correlation between profitability and growth of sales. The highest value of R^2 (i.e., 0.66) in Maharashtra Scooters Ltd indicates that 66 per cent variations in profitability are explained by variations in growth of sales. All the companies showed positive impact of growth of sales on profitability during the study period. The values of regression co-efficient 'b' ranged between 0.01 in Bajaj Auto Ltd and 0.85 in TVS Motor Company Ltd. Majority of the companies are significant either at 1 per cent, 5 per cent or 10 per cent level except in the case of LML Ltd, Hero Honda Motors Ltd and Majestic Auto Ltd. Equation fitted for return on capital employed (ROCE) is significantly different from the equation fitted for profitability rate (PR) and profitability margin (PM) (shown in Table 5 and 6) as far as better explanation is concerned.

CONCLUSION

The analysis of the relationship between firm size and firm profitability in two and three wheelers sector companies finds firm size affecting profitability. The results show negatively significant evidence in two and three wheelers sector companies. Among the various companies selected for the study, some companies showed positive relationships while others did not. Therefore, while bigger firms perform better, the opposite holds true in two and three wheelers sector companies. These findings should be useful to the managerial authorities to decide on the extent to which firm size needs to be monitored and controlled. The study also investigated the behavior of growth rates and profitability for Indian two and three wheeler sector. In line with previous studies, it was found that growth rates are highly volatile over time and the relationship with profitability is not clear. Most of the previous studies support the general notion that there is a positive relationship between growth and profitability. However, in the case of two and three wheelers sector companies the positive effects of growth on profitability are greater than the negative effects. Also the extent of this positive relationship is different in different companies depending upon their ability and willingness to grow, which may further depend upon factors like extent of monopoly power, growth of demand, market share, better labour relations and other managerial conditions.

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TABLES

TABLE 1: LIST OF SAMPLE COMPANIES INCLUDED IN THE PRESENT STUDY

S. No.	Companies	Year of Incor-poration	Ownership	Market Share (%)	Total Market Share
1.	Bajaj Auto Ltd	1945	Bajaj Group	18.80	99.81
2.	LML Ltd	1972	LML Group	11.58	
3.	Maharashtra Scooters Ltd	1975	Bajaj Group	7.80	
4.	TVS Motor Company Ltd	1982	TVS Group	12.93	
5.	Kinetic Motor Company Ltd	1984	Firodia Group	11.75	
6.	Hero Honda Motors Ltd	1984	Hero (Munsals) Group	10.54	
7.	Kinetic Engineering Ltd	1970	Firodia Group	9.72	
8.	Majestic Auto Ltd	1986	Hero Group	9.04	
9.	Scooters India Ltd	1972	Central Govt. Commercial Enterprise	7.65	

TABLE 2: REGRESSION ANALYSIS FOR FIRM SIZE AND PROFITABILITY (Model I – PM as the dependent variable)

Particulars	Constant	Size Co-efficient	R ²	Adj R ²	F Value	DW
Bajaj Auto Ltd	-7.69	2.98 (2.59)**	0.38	0.32	6.69	0.47
LML Ltd	-148.07	22.21 (4.04)*	0.60	0.56	16.18	0.51
Maharashtra Scooters Ltd	338.26	-69.38 (4.75)*	0.67	0.64	22.52	0.93
TVS Motor Company Ltd	48.28	-5.41 (5.78)*	0.75	0.73	33.37	1.36
Kinetic Motor Company Ltd	-479.55	-84.80 (6.78)*	0.81	0.79	46.01	1.16
Hero Honda Motors Ltd	10.08	0.39 (0.61)	0.03	-0.06	0.38	0.64
Kinetic Engineering Ltd	-231.14	42.18 (3.98)*	0.59	0.55	15.87	0.72
Majestic Auto Ltd	15.57	-2.56 (0.63)	0.03	-0.05	0.39	1.60
Scooters India Ltd	106.33	-21.60 (-1.88)***	0.24	0.17	3.52	0.71
Two & Three Wheelers	12.78	-0.53 (3.05)*	0.36	0.32	8.96	1.72
Whole Industry	10.35	-0.27 (2.58)**	0.32	0.28	7.16	0.50

* - P < 0.01, ** - P < 0.05, *** - P < 0.10

Source: Computed

TABLE 3: REGRESSION ANALYSIS FOR FIRM SIZE AND PROFITABILITY (Model II – PR as the dependent variable)

Particulars	Constant	Size Co-efficient	R ²	Adj R ²	F Value	DW
Bajaj Auto Ltd	1.90	2.52 (2.39)**	0.34	0.28	5.73	0.54
LML Ltd	-94.17	13.34 (0.66)	0.04	-0.05	0.44	1.65
Maharashtra Scooters Ltd	0.27	2.27 (2.10)***	0.29	0.22	4.41	0.86
TVS Motor Company Ltd	89.40	-8.12 (3.15)*	0.36	0.31	9.16	0.82
Kinetic Motor Company Ltd	558.73	-99.30 (2.39)**	0.34	0.28	5.69	2.28
Hero Honda Motors Ltd	-1.02	7.70 (1.33)	0.14	0.06	1.77	0.45
Kinetic Engineering Ltd	-61.83	11.79 (3.25)*	0.38	0.29	8.42	0.37
Majestic Auto Ltd	43.97	-8.16 (1.05)	0.09	0.01	1.10	2.12
Scooters India Ltd	341.12	-70.01 (2.43)**	0.35	0.29	5.90	0.78
Two & Three Wheelers	57.58	-3.93 (3.58)*	0.38	0.31	6.18	1.68
Whole Industry	8.79	-0.29 (3.52)*	0.36	0.32	5.98	0.86

* - P < 0.01, ** - P < 0.05, *** - P < 0.10

Source: Computed

TABLE 4: REGRESSION ANALYSIS FOR FIRM SIZE AND PROFITABILITY (Model III – ROCE as the dependent variable)

Particulars	Constant	Size Co-efficient	R ²	Adj R ²	F Value	DW
Bajaj Auto Ltd	15.99	1.17 (0.75)	0.05	-0.04	0.57	0.88
LML Ltd	-413.16	60.38 (2.12)***	0.29	0.23	4.49	1.49
Maharashtra Scooters Ltd	-0.62	2.05 (2.75)*	0.28	0.23	4.27	0.61
TVS Motor Company Ltd	232.46	-26.46 (4.51)*	0.65	0.62	20.34	1.07
Kinetic Motor Company Ltd	-396.21	-69.65 (1.79)***	0.23	0.26	3.19	1.97
Hero Honda Motors Ltd	52.07	1.96 (0.37)	0.01	-0.08	0.14	0.41
Kinetic Engineering Ltd	-111.43	20.11 (3.35)*	0.36	0.30	8.12	0.75
Majestic Auto Ltd	15.51	-2.11 (0.24)	0.01	-0.09	0.06	1.52
Scooters India Ltd	708.03	-147.57 (1.23)	0.12	0.04	1.52	1.37
Two & Three Wheelers	54.85	-2.65 (3.79)*	0.41	0.38	0.63	0.97
Whole Industry	5.54	-1.27 (2.79)*	0.29	0.27	5.62	0.52

* - P < 0.01, ** - P < 0.05, *** - P < 0.10

Source: Computed

TABLE 5: REGRESSION RESULTS OF PROFITABILITY (P_{ij}) ON GROWTH OF SALES (PM_{ij} = β₀ + β₁ GROWTH_{ij} + e_{ij})

Particulars	Constant	Growth Co-efficient	R ²	Adj R ²	F Value	DW	r
Bajaj Auto Ltd	15.03	0.01 (0.48)	0.02	-0.07	0.23	0.74	0.14
LML Ltd	-13.92	0.06 (0.53)	0.03	-0.06	0.28	0.33	0.16
Maharashtra Scooters Ltd	4.16	0.68 (3.16)*	0.58	0.53	14.42	0.52	0.62**
TVS Motor Company Ltd	4.26	0.16 (3.01)*	0.45	0.40	9.04	1.48	0.67**
Kinetic Motor Company Ltd	-12.39	-0.28 (2.46)**	0.37	0.33	6.12	1.17	-0.58**
Hero Honda Motors Ltd	13.23	0.03 (0.10)	0.00	-0.09	0.10	0.63	0.03
Kinetic Engineering Ltd	-1.50	1.01 (4.76)*	0.67	0.64	22.62	1.51	0.82*
Majestic Auto Ltd	2.60	0.02 (0.01)	0.00	-0.09	0.00	1.57	0.02
Scooters India Ltd	0.08	0.30 (2.31)**	0.33	0.26	5.31	0.79	0.57**
Two & Three Wheelers	7.59	0.32 (3.51)*	0.63	0.59	15.18	1.53	0.48
Whole Industry	7.01	0.38 (3.68)*	0.67	0.63	16.12	1.49	0.60**

PM – profit as percentage of sales

* - P < 0.01, ** - P < 0.05, *** - P < 0.10

Source: Computed

TABLE 6: REGRESSION RESULTS OF PROFITABILITY (P₂) ON GROWTH OF SALES ($PR_{ij} = \beta_0 + \beta_1 \text{GROWTH}_{ij} + e_{ij}$)

Particulars	Constant	Growth Co-efficient	R ²	Adj R ²	F Value	DW	r
Bajaj Auto Ltd	20.41	0.01 (0.91)	0.07	-0.02	0.82	0.64	0.26
LML Ltd	-19.57	0.35 (1.40)	0.15	0.07	1.96	2.14	0.39
Maharashtra Scooters Ltd	13.60	0.20 (4.43)*	0.64	0.61	19.63	1.84	0.80*
TVS Motor Company Ltd	20.55	0.42 (1.85)***	0.24	0.17	3.41	0.98	0.49
Kinetic Motor Company Ltd	112.94	-15.91 (2.57)**	0.38	0.32	6.59	1.55	-0.61**
Hero Honda Motors Ltd	64.06	-0.02 (0.05)	0.00	-0.09	0.00	0.42	-0.02
Kinetic Engineering Ltd	3.74	0.46 (2.55)**	0.37	0.31	6.48	1.05	0.61**
Majestic Auto Ltd	3.62	-0.01 (0.07)	0.00	-0.09	0.01	1.99	-0.02
Scooters India Ltd	-2.32	0.77 (2.11)***	0.29	0.22	4.45	0.65	0.54
Two & Three Wheelers	17.10	0.21 (2.01)***	0.27	0.20	4.04	1.80	0.52
Whole Industry	10.00	0.09 (2.58)**	0.38	0.32	6.67	0.74	0.61**

PR – profit as percentage of total assets

* - P < 0.01, ** - P < 0.05, *** - P < 0.10

Source: Computed

TABLE 7: REGRESSION RESULTS OF PROFITABILITY (P₃) ON GROWTH OF SALES ($ROCE_{ij} = \beta_0 + \beta_1 \text{GROWTH}_{ij} + e_{ij}$)

Particulars	Constant	Growth Co-efficient	R ²	Adj R ²	F Value	DW	r
Bajaj Auto Ltd	23.59	0.01 (2.07)**	0.28	0.22	4.29	0.76	0.53
LML Ltd	-49.94	0.24 (0.55)	0.03	-0.06	0.30	0.94	0.16
Maharashtra Scooters Ltd	12.07	0.21 (4.57)*	0.66	0.62	20.91	1.44	0.81*
TVS Motor Company Ltd	15.71	0.85 (3.27)*	0.49	0.45	10.66	1.35	0.70*
Kinetic Motor Company Ltd	-106.30	-11.01 (2.51)**	0.36	0.32	6.12	1.02	-0.58**
Hero Honda Motors Ltd	63.14	-0.21 (0.64)	0.04	-0.05	0.40	0.42	0.19
Kinetic Engineering Ltd	0.92	0.84 (3.31)*	0.50	0.45	10.96	1.89	0.71*
Majestic Auto Ltd	4.70	-0.03 (0.41)	0.02	-0.07	0.17	1.48	0.12
Scooters India Ltd	-16.50	0.72 (2.21)***	0.30	0.26	4.98	1.61	0.51
Two & Three Wheelers	28.26	0.18 (3.70)*	0.54	0.49	12.18	1.04	0.63**
Whole Industry	15.92	0.24 (3.56)**	0.58	0.55	13.17	1.43	0.66**

ROCE – return on capital employed

* - P < 0.01, ** - P < 0.05, *** - P < 0.10

Source: Computed

FARMERS' AWARENESS ABOUT CROP INSURANCE SCHEMES: AN ANALYTICAL STUDY**T.T. KARTHIK****RESEARCH SCHOLAR****DEPARTMENT OF COMMERCE & RESEARCH CENTRE****SOURASHTRA COLLEGE (AUTONOMOUS)****MADURAI****DR. L. P. RAMALINGAM****ASSOCIATE PROFESSOR****DEPARTMENT OF COMMERCE & RESEARCH CENTRE****SOURASHTRA COLLEGE (AUTONOMOUS)****MADURAI****ABSTRACT**

In India, agriculture played a vital role in the economic development. Nearly 70 per cent of the country's population is dependent on agriculture but Indian agriculture depends on monsoon which is always flexible. Agriculture continues to be the important sector in the Tamil Nadu State economy as more than 56 per cent of the people depend on agriculture and allied sectors for their livelihood. Tamil Nadu occupies 7 per cent of the nation's population, 4 per cent of the land area and 3 per cent of the water resources at all India level. In India, the crop production has been subjected to the vagaries of the climate. Some of the other problems that the Indian agriculture is constantly tackling with are the large-scale damages that are caused as a result of the attack of pests and diseases. In this scenario, the issue of crop insurance assumes a vital role in the stable growth of the agricultural sector in India. Crop insurance offers financial assistance for risk management in agriculture. For managing the risks in agriculture, one should have thorough awareness about crop insurance schemes. This paper highlights the awareness level of farmers towards crop insurance schemes viz. low, medium and high. It also pointed out the reasons for insuring the crops.

KEYWORDS

Agriculture, Agricultural Insurance, Awareness, Crop Insurance, and National Agricultural Insurance Scheme.

INTRODUCTION

Agriculture provides the principal means of livelihood for over 58.4 per cent of India's population. It contributes approximately one-fifth of total gross domestic product (GDP). Agriculture accounts for about 10 per cent of the total export earnings and provides raw material to a large number of industries. For sustaining economic development, much emphasis has been laid in the planning process for accelerating the pace of agricultural development. By insuring the crops, the agricultural production can be increased. Thus, for this purpose, the Government of India has implemented various crop insurance schemes from time to time.

According to the data provided by the Department of Agriculture and Cooperation, Ministry of Agriculture, Govt. of India, New Delhi, the presently operating scheme, i.e. National Agricultural Insurance Scheme, has been implemented in 24 States and 2 Union Territories. The performance during the last twenty five crop seasons (i.e. from Rabi 1999-2000 to Rabi 2011-12) were – 1930 lakh farmers have been covered over an area of 2,916 lakh hectares insuring a sum amounting to Rs.2,55,574 crore; subsidy in premium amounting Rs.790 crore have been provided to Small and Marginal farmer and claims to the tune of about Rs.23,441 crore have been settled against the premium income of about Rs.7,606 crore benefiting about 503 lakh farmers.

REVIEW OF PREVIOUS STUDIES

The previous studies carried out by various researchers have been reviewed and the important ones are listed here.

Bhise, V.B., S.S. Ambhore and S.H. Jagdale (2007) describe the operation of National Agriculture Insurance Scheme in India and Maharashtra State. The study showed that claims to premium ratio were 3.11 at all-India level and 2.07 at Maharashtra state level. They suggested that there is need of a transition to actuarial rates and the problems in rainfall insurance scheme need to be urgently attended. Babu, I. et.al. (2008) have made a study on the growth, variability and supply response of major crops in Tamil Nadu. It is understood from the study that the area, production and productivity of major field crops were declined. Raju, S.S. and Ramesh Chand (2008) in a NCAP Working Paper stated that agricultural insurance is one method by which farmers can stabilize farm income and investment and guard against disastrous effect of losses due to natural hazards or low market prices. Major issues and problems faced in implementing agricultural insurance in the country are also discussed in detail. Venkatesh, G. (2008) in a research article stated that all over the world agriculture is synonymous with risk and uncertainty. In this article he described the history of crop insurance in India and pointed out the risks covered under the National Agricultural Insurance Scheme (NAIS). Further, he also pointed out some plans of crop insurance in USA. Jayakumar, S. and A. Subbiah (2009) in their research work indicated the problems and suggestions of agricultural insurance in India. The important problems pointed out by them includes – lack of information about agricultural insurance schemes; lengthy process; about 3 per cent farmers participate in agriculture insurance; major crops are not covered under insurance scheme; and lack of coordination between various state government department and agencies and so on. Based on the problems some suggestions are also provided by them. Olivier Mahul, et al. (2009) conducted a feasibility study on agricultural insurance in Nepal, with a particular focus on small and marginal farmers, and provide recommendations for its future development. This report draws heavily on international experience. Gurdev Singh (2010) in a research working paper discusses the dependence of Indian agriculture on uncertain rains. It argues on the need for crop insurance as an alternative to manage production risk. It then takes up the historical overview of crop insurance products and their performance. It is followed by the discussion on the currently available crop insurance products for specific crops and regions. Samuel Jonathan, P. and V. Raghavendra (2010) have focused the inclusive growth with a slew of projects and programmes at all-round in Guntur district. In this district a weather-based crop insurance scheme was introduced on a pilot basis and so far Rs.17.34 crore has been sanctioned to 16,357 farmers. They also highlighted the achievements of the district administration i.e. Crop loans to the tune of Rs.19.52 crore; lift irrigation schemes worth Rs.144.47 crore; and the construction of 1.35 lakh houses at a cost of Rs.400.76 lakh. Malini, R. (2011) assessed and tested the attitude of 60 respondents towards agriculture insurance, and favourable factors and problems prevailing in implementing it. The study reveals that the farmers have good attitude toward agriculture insurance. Shrikrishna S. Mahajan and Amol H. Bobade (2012) in their research made attempt to study the growth and development of National Agricultural Insurance Scheme and to examine the important features and performance of NAIS.

NEED OF THE STUDY

In India, agriculture played a vital role in the economic development. At present 70 per cent population of the country dependent on agriculture but Indian agriculture dependent on monsoon which is always flexible. It leads to operating risk in cultivation of different crops. Natural calamities may affect on the yield from agriculture sector. To cover the risk which may occur in future, there is need to some provision and crop insurance is only mechanism available to

safeguard against production risk in agriculture. For fulfilling this need the Government of India has made experiments and efforts by introducing various schemes of crop insurance such as First individual approach scheme (1972-1978), Pilot Crop Insurance Scheme (1979-1984), Comprehensive Crop Insurance Scheme (1985-1999), Experimental Crop Insurance Scheme (1997-1998), Pilot Scheme on Seed Crop Insurance and National Agricultural Insurance Scheme (1999-2000 onwards). National Agricultural Insurance Scheme (NAIS) is being implemented with effect from Rabi 1999-2000 seasons. NAIS has been conceptualized as a comprehensive tool to cover yield losses due to natural non-preventable risks like flood, inundation, landslide, drought, pest and diseases, natural fire, lightning, storm, hailstorm, cyclone etc and provides for greater coverage of farmers (loanee and non-loanee), crops (all food and oilseed crops and annual horticultural/commercial crops) and risk commitment. Hence an attempt is made to analyze the level of awareness of farmers about crop insurance schemes.

OBJECTIVES OF THE STUDY

The specific objectives of the study are –

- To assess the level of awareness of farmers about Crop Insurance Schemes and analyses the relationship between the socio-economic characteristics of farmers and their awareness levels.
- To rank the reasons for insuring the crops.

HYPOTHESES OF THE STUDY

The framed null hypotheses are subjected to appropriate statistical tests and it is tested separately both for the loanee and non-loanee category of farmers.

- There is no significant relationship between the age of farmers and their level of awareness about Crop Insurance Schemes.
- There is no significant relationship between the education of farmers and their level of awareness about Crop Insurance Schemes.
- There is no significant relationship between the ownership of house by farmers and their level of awareness about Crop Insurance Schemes.
- There is no significant relationship between the landholding pattern of farmers and their level of awareness about Crop Insurance Schemes.
- There is no significant relationship between the experience of farmers and their level of awareness about Crop Insurance Schemes.

SAMPLING DESIGN

A two-stage stratified sample design has been adopted for the study to generate representative samples from Madurai District. Sample blocks and farmers formed the first and second stage sample units respectively for selection of sample respondents (i.e. farmers).

Stage-1 – Selection of Blocks: It is considered to select at least one block from each taluk by judging the notified premium crop 'Paddy-I (Kuruvai) or Paddy-II (Samba) or Paddy-III (Kodai)' as main criteria. Thus, a total of nine notified blocks were selected from the total list of 13 notified blocks in Madurai District based on this judgement.

Stage-2 – Selection of Farmers: In each selected block, approximately 40 farmers were chosen by the equal probability sampling approach for the purpose of listing and preliminary survey. During the preliminary survey, the listed farmers were stratified into two categories, namely: (a) Loanee Farmers, who are growing notified crops in notified areas and availing crop loans; and (b) Non-Loanee Farmers, who are growing notified crops in notified area and opt for National Agricultural Insurance Scheme on a voluntary basis.

METHODOLOGY FOR COLLECTION OF DATA

Both primary data and secondary data were collected for the study. The primary data were collected by conducting a survey among 360 farmers comprising of 40 farmers each from the nine notified blocks selected for the purpose of this study from Madurai District with the help of an interview schedule. Of the 360 total samples, 279 falls in loanee category and 81 comes under non-loanee category. The researcher visited all the selected blocks of the study area and collected the primary data directly from the farmers.

Secondary data were collected from various reports published by the Agricultural Insurance Company (AIC) of India, Insurance Regulatory and Development Authority (IRDA) of India, and also those published by the NABARD and the Reserve Bank of India publications. Journals (print as well as online), working papers, research reports, and newspapers have also been referred for the purpose of collecting secondary data. Relevant websites were also viewed for collection of data.

RESULTS AND DISCUSSION

AWARENESS ABOUT CROP INSURANCE SCHEMES

In Tamil Nadu as well as in Madurai District, a number of crop insurance schemes have been offered to the farmers from time to time both by the Central and the State Government. The researcher made an attempt to analyze the levels of awareness of farmers on the various crop insurance schemes offered by the government. For assessing the level of awareness of farmers, 11 'Yes' or 'No' type questions were asked to the sample respondents about the crop insurance schemes and the results are exhibited in Table 1.

TABLE – 1: SAMPLE FARMERS' AWARENESS ON VARIOUS CROP INSURANCE SCHEMES

Sl. No.	Crop Insurance Schemes	Loanee Farmers		Non-Loanee Farmers	
		No.	Per cent	No.	Per cent
1	First Ever Crop Insurance Scheme	232	83.2	59	72.8
2	Pilot Crop Insurance Scheme	270	96.8	77	95.1
3	Comprehensive Crop Insurance Scheme	275	98.6	79	97.5
4	State Crop Insurance Scheme	152	54.5	45	55.5
5	Experimental Crop Insurance Scheme	268	96.1	76	93.8
6	National Agricultural Insurance Scheme	279	100.0	81	100.0
7	Coffee Insurance Scheme	88	31.5	24	29.6
8	Varsha Bhima	142	50.9	33	40.7
9	Weather Based Crop Insurance Scheme	124	44.4	37	45.7
10	Rainfall Insurance Scheme	106	38.0	28	34.6
11	Modified National Agricultural Insurance Scheme	200	71.7	59	72.8
	Total Sample	279	100.0	81	100.0

It is inferred from the Table 1 that all the sample respondents (i.e. cent per cent) belonging to loanee category and non-loanee category are aware of the National Agricultural Insurance Scheme offered by the Agricultural Insurance Company of India. More than 90 per cent of loanee as well as non-loanee farmers were aware about the schemes like Pilot Insurance Scheme, Comprehensive Crop Insurance Scheme, and Experimental Crop Insurance Scheme.

Further, a majority of respondents know crop insurance schemes like First Ever Crop Insurance Scheme, State Crop Insurance Scheme, and Modified National Agricultural Insurance Scheme. The awareness levels in respect of these schemes are 83.2 per cent, 54.5 per cent, 71.7 per cent respectively for loanee farmers whereas it is 72.8 per cent, 55.5 per cent and 72.8 per cent for non-loanee farmers. Around 51 per cent of loanee farmers are also aware about 'Varsha Bhima'. It is understood from the Table 4.1 that about less than 40 per cent of loanee as well as non-loanee farmers have aware about schemes likes Coffee Insurance

Scheme and Rainfall Insurance Scheme. It is concluded that the all the sample respondents are aware about the latest scheme which is in operation in Madurai District i.e. National Agricultural Insurance Scheme.

LEVEL OF AWARENESS OF FARMERS

The sample farmers have been classified on the basis of the awareness on various crop insurance schemes. Three levels such as low, medium and high level of awareness were generated from the response scores given up by the sample farmers for the set of 11 'Yes' or 'No' type questions. First the response scores were aggregated across all the respondents and then mean and standard deviation was computed separately both for loanee and non-loanee farmers. The computed mean and standard deviation score in respect of 279 loanee farmers was 7.46 and 2.07 respectively whereas it is 7.42 and 2.05 respectively for 81 sample non-loanee farmers. The score value greater than or equal to mean plus standard deviation (i.e. $\geq \text{Mean} + \text{Standard Deviation}$) and the score value less than or equal to mean minus standard deviation (i.e. $\leq \text{Mean} - \text{Standard Deviation}$) have been taken as high level and low level of awareness respectively. The score values in between the low and high level of awareness have been taken as medium level of awareness. The generated results are depicted in Table 2.

TABLE – 2: LEVEL OF AWARENESS OF FARMERS ON CROP INSURANCE SCHEMES

Awareness Level	Loanee Farmers		Non-Loanee Farmers	
	No.	Per cent	No.	Per cent
Low Level	48	17.2	17	21.0
Medium Level	168	60.2	50	61.7
High Level	63	22.6	14	17.3
Total	279	100.0	81	100.0

It is inferred from Table 2 that out of the 279 loanee farmers, 63 (22.6%) farmers belong to high level awareness group, 168 (60.2%) loanee farmers fall under the medium level awareness group and the remaining 48 (17.2%) loanee farmers come under the category of low level awareness group. In the case of non-loanee farmers, it is 17.3 per cent, 61.7 per cent and 21.0 per cent respectively. It is observed that high level awareness exists more among the loanee farmers (22.6%) than the non-loanee farmers (17.3%).

RELATIONSHIP BETWEEN SOCIO-ECONOMIC CHARACTERISTICS AND FARMERS' AWARENESS LEVELS

Moreover, the awareness of farmers has been measured with the help of nine socio-economic characteristics variables such as sex, age, religion, marital status, education level, nature of family, ownership of house, landholding pattern, and experience in farm activities. In order to find out whether these variables influence the awareness of farmers towards Crop Insurance Schemes, chi-square test has been applied. The chi-square test has been computed with the help of software package, viz. Statistical Package for Social Science (SPSS). Suitable hypotheses have also been framed and tested. These have been explained in the following paragraphs:

AGE AND LEVEL OF AWARENESS

Age is considered as one of the variables in determining the level of awareness of farmers about crop insurance schemes. In the study, the age has been grouped into four categories. Tables 3 and 4 exhibit the age group on the basis of the category of farmers.

AGE-WISE CLASSIFICATION OF FARMERS UNDER LOANEE CATEGORY

The classification of farmers on the basis of age under loanee category and the level of awareness about crop insurance schemes are shown in Table 3.

TABLE – 3: AGE VS LEVEL OF AWARENESS OF FARMERS – LOANEE CATEGORY

Age	Level of Awareness			Total
	Low	Medium	High	
Up to 30 Years	1 (2.1)	11 (6.5)	5 (7.9)	17 (6.1)
31 to 40 Years	14 (29.2)	56 (33.3)	17 (27.0)	87 (31.2)
41 to 50 Years	23 (47.9)	63 (37.5)	39 (47.6)	116 (41.6)
Above 50 Years	10 (20.8)	38 (22.7)	11 (17.5)	59 (29.1)
Total	48 (100)	168 (100)	63 (100)	279 (100)

(Figures in parenthesis indicates percentages to respective column total)

It is understood from Table 3 that out of 63 farmers with high level awareness under loanee category, 47.6 per cent fall in the category of '41 to 50 years' category, 27 per cent in 31 to 40 years category, 17.5 per cent in 'above 50 years' category, and the rest 7.9 per cent in 'up to 30 years' category. Regarding medium level and low level awareness, a major portion of respondents fall in '41 to 50 years' followed by '31 to 40 years' category. While analyzing the table, it is observed that a higher proportion of farmers are found in the low level awareness than the high level of awareness.

In order to test whether there is any relationship between age and level of awareness, chi-square test has been applied. The results show that the calculated value (4.611) is less than the table value (12.592) at 5 per cent level of significance. Hence, the null hypothesis, "there is no significant relationship between the age of farmers under loanee category and their level of awareness about Crop Insurance Schemes, is accepted.

AGE-WISE CLASSIFICATION OF FARMERS UNDER NON-LOANEE CATEGORY

The age-wise classification of farmers under non-loanee category and their level of awareness about crop insurance scheme are shown in Table 4.

TABLE – 4: AGE VS LEVEL OF AWARENESS OF FARMERS – NON-LOANEE CATEGORY

Age	Level of Awareness			Total
	Low	Medium	High	
Up to 30 Years	3 (17.6)	3 (6.0)	-	6 (7.4)
31 to 40 Years	3 (17.6)	9 (18.0)	4 (28.6)	16 (19.8)
41 to 50 Years	5 (29.4)	26 (52.0)	5 (35.7)	36 (44.4)
Above 50 Years	6 (35.4)	12 (24.0)	5 (35.7)	23 (28.4)
Total	17 (100)	50 (100)	14 (100)	81 (100)

(Figures in parenthesis indicates percentages to respective column total)

It can be found from the Table 4 that out of 14 farmers with high level awareness under non-loanee category, a major portion of 71.4 per cent belong to 'above 41 years' category. The table also shows that out of 50 farmers with medium level awareness, 52 per cent fall in the age group of 41 to 50 years category. In the low level awareness, out of 17 farmers 35.4 per cent belongs to 'above 50 years' category. It is concluded that nearly 35 per cent of farmers both in low and high level awareness fall in 'above 50 years' category. Further, in '31 to 40 years' age group, a higher level proportion of farmers have high level awareness than the other levels.

An attempt has been made by the researcher to find out whether there is any significant relationship between the age of farmers and their level of awareness. As the calculated value (6.880) is less than the table value (12.592) at 5 per cent level of significance, the null hypothesis, i.e. there is no significant relationship between the age of farmers under non-loanee category and their level of awareness about Crop Insurance Schemes, is accepted.

EDUCATION AND LEVEL OF AWARENESS

Education is an important factor which influences the level of awareness of farmers towards Crop Insurance Schemes in Madurai District. So, this factor has been taken into consideration for analysis. It is grouped into three categories viz. illiterate, up to secondary level and above secondary level. 'Up to secondary

level' education comprises of primary as well as secondary level of education. Whereas the 'above secondary level' education consists of higher secondary/diploma as well as graduates and above. Analyzes in respect of this factor is presented in Tables 5 and 6.

EDUCATION-WISE CLASSIFICATION OF FARMERS UNDER LOANEE CATEGORY

The education-wise classification of farmers under loanee category and their level of awareness about crop insurance schemes are presented in Table 5.

TABLE – 5: EDUCATION VS LEVEL OF AWARENESS OF FARMERS – LOANEE CATEGORY

Education Level	Level of Awareness			Total
	Low	Medium	High	
Illiterate	16 (33.3)	50 (29.8)	9 (14.3)	75 (26.9)
Up to Secondary Level	27 (56.3)	83 (49.4)	42 (66.7)	152 (54.5)
Above Secondary Level	5 (10.4)	35 (20.8)	12 (19.0)	52 (18.6)
Total	48 (100)	168 (100)	63 (100)	279 (100)

(Figures in parenthesis indicates percentages to respective column total)

Table 5 indicates that out of 63 farmers with high level awareness under loanee category, 66.7 per cent belong to 'up to secondary level' category and 19 per cent fall in 'above secondary level' category. Among 168 farmers with medium level awareness, a major portion 49.4 per cent fall in 'up to secondary level' category. Further, out of 48 farmers with low level of awareness, a majority of 56.3 per cent belongs to 'up to secondary level' category. It is clear from the study that the low level of awareness is more among the illiterate farmers and it accounts for 33.3 per cent.

In order to test whether there is any significant relationship between the education of farmers and their level of awareness, chi-square test was applied. The result of hypothesis reveals that the calculated value (9.700) is more than the table value (9.488) at 5 per cent level of significance, the null hypothesis is rejected. Hence, it is concluded that there is significant relationship between the education of farmers under loanee category and their level of awareness about crop insurance schemes.

EDUCATION-WISE CLASSIFICATION OF FARMERS UNDER NON-LOANEE CATEGORY

The farmers under non-loanee category and their level of awareness about crop insurance schemes are depicted in Table 6.

TABLE – 6: EDUCATION VS LEVEL OF AWARENESS OF FARMERS – NON-LOANEE CATEGORY

Education Level	Level of Awareness			Total
	Low	Medium	High	
Illiterate	5 (29.4)	12 (24.0)	4 (28.6)	21 (25.9)
Up to Secondary Level	9 (52.9)	32 (64.0)	9 (64.3)	50 (61.8)
Above Secondary Level	3 (17.7)	6 (12.0)	1 (7.1)	10 (12.3)
Total	17 (100)	50 (100)	14 (100)	81 (100)

(Figures in parenthesis indicates percentages to respective column total)

It could be observed from the Table 6 that out of 14 sample respondents with high level awareness under non-loanee category, a major portion of 64.3 per cent studied 'up to secondary level' and 28.6 per cent are 'illiterate'. Further the table shows that out of 50 respondents with medium level awareness, a major portion of them (64%) were fall in 'up to secondary level' education category. In the low level awareness, 52.9 per cent are in 'up to secondary level', 29.4 per cent are in 'illiterate' and the remaining 17.7 per cent fall in 'above secondary level' education. It is understood that the percentage of low level awareness is high among the 'illiterate' as well as 'above secondary level' education category when compared with the high level of awareness.

It is further attempted to ascertain whether any significant relationship exists between educational status and level of awareness. Chi-square test has been used to test the null hypothesis. It is understood that the calculated value (1.157) is less than the table value (9.488) at 5 per cent level of significance, the null hypothesis is accepted and thus concluded that there is no significant relationship between the education of farmers under non-loanee category and their level of awareness on crop insurance schemes.

OWNERSHIP OF HOUSE AND LEVEL OF AWARENESS

There is the possibility of influencing the level of awareness of farmers based on the ownership of house. Hence, the researcher has made an attempt to know this fact and the results were shown in Tables 7 and 8.

HOUSE OWNERSHIP-WISE CLASSIFICATION OF FARMERS UNDER LOANEE CATEGORY

The classification of farmers on the basis of ownership of house under loanee category and the level of awareness about crop insurance schemes are presented in the Table 7.

TABLE – 7: OWNERSHIP OF HOUSE VS LEVEL OF AWARENESS OF FARMERS – LOANEE CATEGORY

Ownership of House	Level of Awareness			Total
	Low	Medium	High	
Owned	20 (41.7)	88 (52.4)	34 (54.0)	142 (50.9)
Not Owned	28 (58.3)	80 (47.6)	29 (46.0)	137 (49.1)
Total	48 (100)	168 (100)	63 (100)	279 (100)

(Figures in parenthesis indicates percentages to respective column total)

Table 7 indicates that out of 63 sample respondents with high level awareness under loanee category, 54 per cent have stated they are having own houses and the remaining 46 per cent does not have own houses. Among 168 respondents with medium level awareness, majority of 52.4 per cent have own houses and out of 48 respondents with low level of awareness, a major portion (58.3%) of farmers does not have own houses. It is found from the study that those who are not having own houses were low level of awareness and the percentage is high (58.3%) in the sample study.

An attempt has been made to find out whether there is any significant relationship between the ownership of house by farmers and their level of awareness. For this purpose, chi-square test has been applied. The result of chi-square test reveals that the calculated value (2.022) is less than the table value (5.991) at 5 per cent level of significance, the framed hypothesis, i. e. there is no significant relationship between the ownership of house by farmers under loanee category and their level of awareness about Crop Insurance Schemes, is accepted.

HOUSE OWNERSHIP-WISE CLASSIFICATION OF FARMERS UNDER NON-LOANEE CATEGORY

Table 8 explains the house ownership-wise classification of farmers under non-loanee category and their level of awareness about crop insurance schemes.

TABLE – 8: OWNERSHIP OF HOUSE VS LEVEL OF AWARENESS OF FARMERS – NON-LOANEE CATEGORY

Ownership of House	Level of Awareness			Total
	Low	Medium	High	
Owned	11 (64.7)	26 (52.0)	7 (50.0)	44 (54.3)
Not Owned	6 (35.3)	24 (48.0)	7 (50.0)	37 (45.7)
Total	17 (100)	50 (100)	14 (100)	81 (100)

(Figures in parenthesis indicates percentages to respective column total)

It is seen from Table 8 that among 14 farmers with high level awareness under non-loanee category, a fifty-fifty proportion is found for 'owned' and 'not owned' houses category. But, in medium and low level of awareness, a majority of farmers own houses and it is 52 per cent and 64.7 per cent respectively. Here, the low level of awareness is exists more among the 'owned' house category of farmers.

In order to see whether there is any relationship between ownership of house and level of awareness, chi-square test has been tested at 5 per cent level of significance. From the results of chi-square test, it is observed that the calculated value, i.e. 0.953 is less than the table value (5.991). So, the null hypothesis is accepted. Hence, it is concluded that there is no significant relationship between the ownership of house by farmers under non-loanee category and their level of awareness about Crop Insurance Schemes.

LANDHOLDING PATTERN AND LEVEL OF AWARENESS

An attempt is made that there is any possibility of influencing the level of awareness of farmers based on their size of land holdings. So, it is taken as one of the variables. The result of the study is explained in Tables 9 and 10.

LANDHOLDING SIZE-WISE CLASSIFICATION OF FARMERS UNDER LOANEE CATEGORY

The classification of farmers on the basis of landholding under loanee category and their level of awareness about crop insurance schemes are displayed in the Table 9.

TABLE – 9: LANDHOLDING PATTERN VS LEVEL OF AWARENESS OF FARMERS – LOANEE CATEGORY

Landholding Pattern	Level of Awareness			Total
	Low	Medium	High	
Up to 2.5 Acres	11 (22.9)	39 (23.2)	12 (19.0)	62 (22.2)
2.5 to 5.0 Acres	23 (47.9)	84 (50.0)	32 (50.8)	139 (49.8)
More than 5.0 Acres	14 (29.2)	45 (26.8)	19 (30.2)	78 (28.0)
Total	48 (100)	168 (100)	63 (100)	279 (100)

(Figures in parenthesis indicates percentages to respective column total)

It is understood from Table 9 that out of 63 farmers with high level awareness under loanee category, 50.8 per cent of farmers hold a land size of '2.5 to 5.0 acres', 30.2 per cent holds 'more than 5 acres' and the rest 19 per cent holds 'up to 2.5 acres'. In medium level awareness it is 50 per cent, 26.8 per cent and 23.2 per cent respectively. But in low level awareness it is 47.9 per cent, 29.2 per cent and 22.9 per cent respectively. It is observed from the above table that the percentage of low level awareness is more (i.e. 22.9%) among the farmers who hold a land size of 'up to 2.5 acres' than the high level awareness (19%) farmers in the same category.

To test whether there is any significant relationship between the landholding pattern of farmers and their level of awareness, chi-square test has been applied. The results show that the calculated value (0.635) is less than the table value (9.488) at 5 per cent level of significance. Hence, the null hypothesis "there is no significant relationship between the landholding pattern of farmers under loanee category and their level of awareness about Crop Insurance Schemes" is accepted.

LANDHOLDING SIZE-WISE CLASSIFICATION OF FARMERS UNDER NON-LOANEE CATEGORY

The landholding size-wise classification of farmers under non-loanee category and their level of awareness about crop insurance schemes are shown in Table 10.

TABLE – 10: LANDHOLDING PATTERN VS LEVEL OF AWARENESS OF FARMERS – NON-LOANEE CATEGORY

Land Holding Pattern	Level of Awareness			Total
	Low	Medium	High	
Up to 2.5 Acres	5 (29.4)	11 (22.0)	3 (21.4)	19 (23.5)
2.5 to 5.0 Acres	4 (23.5)	25 (50.0)	8 (57.2)	37 (45.7)
More than 5.0 Acres	8 (47.1)	14 (28.0)	3 (21.4)	25 (30.8)
Total	17 (100)	50 (100)	14 (100)	81 (100)

(Figures in parenthesis indicates percentages to respective column total)

It can be found from Table 10 that out of 14 farmers with high level awareness under non-loanee category, 57.2 per cent of farmers hold a land size of '2.5 to 5.0 acres', and the remaining 42.8 per cent are held equally by the 'up to 2.5 acres' and more than 5 acres' category of farmers. In medium level awareness, 50 per cent of farmers hold a land size of '2.5 acres to 5 acres', 28 per cent 'more than 5 acres' and 22 per cent 'up to 2.5 acres' of land. But it is differed in the case of low level awareness category of farmers, viz. 47.1 per cent holds 'more than 5 acres', 29.4 per cent 'up to 2.5 acres' and the remaining 23.5 per cent holds a land size between 2.5 acres and 5.0 acres. It is also inferred from the table that under the landholding size of 'up to 2.5 acres' and 'more than 5 acres', a major portion of farmers have low level of awareness than the high level of awareness.

It is attempted to ascertain whether any significant relationship exists between landholding pattern and level of awareness. Chi-square test has been used to test the null hypothesis. The results concluded that since the calculated value (4.741) is less than the table value (9.488) at 5 per cent level of significance, the null hypothesis is accepted. So, it is concluded that "there is no significant relationship between the landholding pattern of farmers under non-loanee category and their level of awareness about Crop Insurance Schemes".

EXPERIENCE AND LEVEL OF AWARENESS

Normally, a farmer can get high level of awareness by way of more experience in farm activities and vice-versa. Hence, the researcher has taken 'experience' in farm activities as the last variable towards analyzing the level of awareness of farmers about crop insurance schemes. This fact is illustrated in Tables 11 and 12 for loanee and non-loanee category farmers respectively.

EXPERIENCE-WISE CLASSIFICATION OF FARMERS UNDER LOANEE CATEGORY

Table 11 explains the experience-wise classification of farmers under loanee category and their level of awareness about crop insurance schemes.

TABLE – 11: EXPERIENCE VS LEVEL OF AWARENESS OF FARMERS – LOANEE CATEGORY

Experience	Level of Awareness			Total
	Low	Medium	High	
Less than 5 Years	1 (2.1)	16 (9.5)	4 (6.4)	21 (7.5)
5 to 16 Years	31 (64.6)	111 (66.1)	44 (69.8)	186 (66.7)
More than 16 Years	16 (33.3)	41 (24.4)	15 (23.8)	72 (25.8)
Total	48 (100)	168 (100)	63 (100)	279 (100)

(Figures in parenthesis indicates percentages to respective column total)

It is evident from Table 11 that majority of farmers (i.e. more than 64%) in low, medium and high level awareness under loanee category are having an experience between 5 and 16 years in the farming activities. Further, 33.3 per cent, 24.4 per cent and 23.8 per cent of low, medium and high level of awareness farmers have 'more than 16 years' experience in farm activities. Low level awareness dominates more percentages in '5 to 16 years' as well as 'more than 16 years' experience category. It is concluded that those who have more experience in farm activities, i.e. more than 16 years category, will have a higher level of proportion in low level of awareness.

With a view to testing whether there is any relationship between experience and the awareness level, chi-square test has been applied. It is inferred from the result of chi-square that the calculated value (4.31) is less than the table value 9.488) at 5 per cent of level of significance. Thus, it is concluded that there is no significant relationship between the experience of farmers under loanee category and their level of awareness about crop insurance schemes.

EXPERIENCE-WISE CLASSIFICATION OF FARMERS UNDER NON-LOANEE CATEGORY

The experience-wise classification of farmers under non-loanee category and their level of awareness about crop insurance schemes are shown in Table 12.

TABLE – 12: EXPERIENCE VS LEVEL OF AWARENESS OF FARMERS – NON-LOANEE CATEGORY

Experience	Level of Awareness			Total
	Low	Medium	High	
Less than 5 Years	2 (11.7)	5 (10.0)	2 (14.3)	9 (11.1)
5 to 16 Years	8 (47.1)	29 (58.0)	9 (64.3)	46 (56.8)
More than 16 Years	7 (41.2)	16 (32.0)	3 (21.4)	26 (32.1)
Total	17 (100)	50 (100)	14 (100)	81 (100)

(Figures in parenthesis indicates percentages to respective column total)

It can be seen from the Table 12 that more than 57 per cent of farmers in high level and medium level awareness under non-loanee category have an experience of 5 to 16 years. But in low level of awareness 47.1 per cent fall in '5 to 16 years' experience category followed by 41.2 per cent in 'more than 16 years' category. The table also shows that low level of awareness exists in more proportion (i.e. 41.2%) for non-loanee farmers having an experience of more than 16 years in farm activities.

It is embarked upon ascertaining the relationship between experience and level of awareness about crop insurance schemes. For this purpose, chi-square test is used to test the null hypothesis. The results of the study shows that as the calculated value (1.557) is less than the table value (9.488) at 5 per cent level of significance, the null hypothesis is accepted and it is concluded that there is no significant relationship between the experience of farmers under non-loanee category and their level of awareness about crop insurance schemes.

REASONS FOR INSURING CROPS

The reason may vary from one farmer to another. Hence, the sample farmers are asked to rank the reasons according to their priority. The ranks assigned by the farmers are computed by Garrett's ranking technique for the purpose of analysis. The ranks assigned to each reason by the sample farmers were converted into per cent position by using the following formula:

$$\text{Per cent position} = \frac{100 (R_{ij} - 0.5)}{N_j}$$

Where,

R_{ij} = Rank given by the jth member for the ith reason, and

N_j = Number of reason ranked by the jth farmer.

The per cent position of each rank thus obtained was converted into scores by referring the table given by Garrett. The scores of all farmers for each reason was then added together and divided by the number of farmers. Thus, the mean score of each reason has been obtained. Then rank was allotted based on the highest score of mean score for each reason. This procedure was adopted both for the loanee and non-loanee category of farmers separately. Tables 13 and 14 depict the computed total score, mean score and ranks assigned by the loanee and non-loanee farmers.

REASONS FOR INSURING CROPS BY LOANEE FARMERS:

The loanee farmers' views regarding the reasons for insuring their crops have been ranked and shown in Table 13.

TABLE – 13: REASONS FOR INSURING CROPS BY LOANEE FARMERS – GARRETT'S RANK

Reasons	Total Score	Mean Score	Rank	No. of Farmers Responded
Compulsion by the Bank	13855	57.02	I	243 (87.1%)
To Protect against Loss	7948	53.34	III	149 (53.4%)
Reduces Premium Burden	7819	49.80	V	157 (56.3%)
Helps in Reducing the Risk	7750	49.68	VI	156 (55.9%)
Loanee from the Bank	9941	55.85	II	178 (63.8%)
Financial Security	8457	51.88	IV	163 (58.4%)
Other Reasons	6113	40.75	VII	150 (53.8%)
Total Samples				279

Table 13 exhibits the results of the Garrett's ranking technique towards the reasons for insuring crops under crop insurance scheme by the sample loanee farmers. It indicates that the reason 'compulsion by the bank' has scored a highest mean score of 57.02 among various reasons. This reason was responded by 87.1 per cent of farmers. Hence, this reason has been ranked as first. Next to this, the second rank is assigned to the reason 'loanee from the bank' (mean score of 55.85) and the third to 'to protest against loss' (mean score 53.34). These two reasons have been responded 63.8 per cent and 53.4 per cent of farmers respectively. The remaining reasons are comes in order and ranked accordingly.

Based on the above analysis, it is concluded that due to the compulsion of bank, most of the loanee farmers were insuring their notified crops under the National Agricultural Insurance Scheme.

REASONS FOR INSURING CROPS BY NON-LOANEE FARMERS

An attempt has been made by the researcher to analyze the reasons of non-loanee farmers towards insuring crops under crop insurance scheme. The calculated total scores as well as the mean scores and the ranks assigned are shown in Table 14.

TABLE – 14: REASONS FOR INSURING CROPS BY NON-LOANEE FARMERS – GARRETT'S RANK

Reasons	Total Score	Mean Score	Rank	No. of Farmers Responded
To Protect against Loss	3773	67.38	I	56 (69.1%)
Reduces Premium Burden	3585	61.81	II	58 (71.6%)
Helps in Reducing the Risk	4142	55.23	IV	75 (92.6%)
Financial Security	2809	58.52	III	48 (59.3%)
Other Reasons	2345	45.98	V	51 (63.0%)
Total Samples				81

The results of Garrett's ranking presented in Table 14 reveals that the first and the foremost reason for insuring crops is to 'protect against loss' which was highlighted by the non-loanee category farmers. The computed total score for this reason is 3773 and the mean score is 67.38. A sample of 56 farmers constituting 69.1 per cent was responded to this reason. Next to this, the reason 'reduces premium burden' secured the second place followed this, 'financial security' placed in third position. These two reasons have been responded by 71.6 per cent and 59.3 per cent respectively. The reasons such as 'helps in reducing the risk' and 'other reasons' are ranked as fourth and fifth respectively. From this it is noted that the non-loanee farmers' intention for insuring their crops is to protect against loss.

FINDINGS

The following are the important findings of the study.

1. All the sample respondents in the study are aware of the National Agricultural Insurance Scheme and following this more than 90 per cent of loanee as well as non-loanee farmers aware about Pilot Insurance Scheme, Comprehensive Crop Insurance Scheme, and Experimental Crop Insurance Schemes.
2. The high level awareness is very low, i.e. 22.6 per cent in case of loanee category and 17.3 per cent in case of non-loanee category of farmers.
3. Of the ten hypotheses tested, nine hypotheses have been accepted and only one hypothesis has been rejected, i.e. there is no significant relationship between the education of farmers under loanee category and their level of awareness about Crop Insurance Schemes. It indicates that there is significant relationship between the education of loanee farmers and their level of awareness.
4. The study reveals that most of the loanee farmers insured their crops because of compulsion by bank. Hence, this reason has been placed in first rank. But in the case of non-loanee farmers, the reason 'to protect against loss' secured the first place. Thus the views of farmers may differ.

SUGGESTIONS

Based on the study, it is suggested that the awareness of level of farmers were very low towards crop insurance schemes. Both the government and the implementing agency in the area should initiate awareness campaign in order to increase the level of farmers. Further, the farmers should be properly guided that the crop insurance is a necessity one in their life and it should not be a compulsion by anybody else. It is suggested to discourage the prevailing system i.e. compulsory crop insurance for those who availed loan from bank. Due to this, most of the farmers are not approaching the bank for loan.

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A CASE STUDY ON VIRAL MARKETING CAMPAIGNS 'HAR EK FRIEND ZARURI HOTA HAI' VS. 'HONEY BUNNY'

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ABSTRACT

In the current competitive business world every business owners look different methods to promote their business globally. The concept behind the viral marketing is internet word of mouth i.e. use influencers to make peer to peer product recommendations. Viral marketing refers to the "marketing phenomenon that facilitates and encourages people to pass along a marketing message voluntarily" via e-mail, blog, websites or other internet space in the form of video clips, interactive flash games, advergimes, images, text messages or even e-mail messages. Customers act as advertisers by promoting a product through word-of-mouth. The research concerns the phenomenon of marketing, explores the existing literature of viral marketing and current trends followed by telecom industry. The research paper focuses on identifying the strategies by two most successful viral video jingles namely "Har Ek Friend Zaruri Hota Hai" and "Honey Bunny". The researchers have analyzed the role of social networkings like twitter, YouTube, Google+, face book in making these jingles goes viral. The aim of this research paper is to understand the possible ways of measuring and evaluating successfulness of a viral campaign through a case study of "Har Ek Friend Zaruri Hota Hai" vs. "Honey Bunny" viral campaigns.

KEYWORDS

Advertising, Social media, viral marketing, Video content, Word- of- mouth.

INTRODUCTION

Word-of-mouth publicity is a centuries old marketing technique. Once customers had a good experience with the product, they would tell their friends, who would often buy and use that product and then tell other friends dispersing information and recommendations about the product via social network.

The word-of-mouth has evolved with the influence of the internet into something we call viral marketing today. The term "viral marketing" refers to the idea that people will pass on and share cool and entertaining content sponsored by a brand, which is looking to build awareness of a product or service these viral commercials often take form of funny videos clips, or interactive flash games, images, tweets and even text messages. The goal of viral marketer is to generate a "buzz" about a product or idea, inducing users to relay the marketing message to others and create an exponential growth in the message visibility and effect. Viral marketing is popular because of the ease of executing the marketing campaign, relative low cost, good targeting and high rapid response rate. The strength of viral marketing is to obtain a large number of interested people at a low cost.

LITERATURE REVIEW

The growth in number of internet users has been dramatic ever since this platform came to existence. According to internetworldstats.com, European countries lead with highest internet penetration levels, with Scandinavian and Benelux countries topping the chart (Finland – 85,3 % of population). A lot has been said and written about how this has affected our everyday lives, interpersonal relationships and how we go about conducting business in the digital era. Viral marketing is one of the buzzwords that have been present in the realm of marketing for slightly more than a decade, yet there is not much written about it and that which is written is frequently incoherent – the definitions proposed to this date share the notion that viral marketing is a consumer-to-consumer process, and that it is related to word-of-mouth communication, however they differ in all other aspects (Vilpponen et al.2006). Nevertheless, we have witnessed a number of great success stories of viral marketing which inevitably challenge other marketers to give it a try and achieve the kind of ROI that traditional advertising barely ever could.

The term *viral marketing* was coined by Steve Juverson and Tim Draper in 1997 to describe the manner in which free e-mail service called *hotmail* was promoted. Namely, the signature line of every e-mail message sent through *hotmail*, the first online free e-mail agent, contained an invitation to create a free *hotmail.com* account. This method of promotion was understood to be *viral* in character as the message was being passed on by users themselves, thereby *contaminating* one another with this virus. The word *viral* obviously stems from the word *virus*, symbolizing the manner in which the message spreads, without the negative connotation of the word. Marketers soon saw the potential benefits of this form of marketing communication and today, 14 years later, there is a variety of viral marketing success stories, books, academic articles, research projects and even agencies specializing in viral marketing. Various terms have been used to describe this form of communication including: viral marketing (Juverson, 1997), buzz marketing (Thomas, 2004), word-of-mouth (Goldenberg et al.2001), viral

stealth marketing (Swanepoel et al.2009), referral marketing (De Bruyn and Lilien, 2004), viral advertising (Porter and Golan, 2006) etc. While most authors agree that all these synonyms refer to the same concept, they do not necessarily agree on the key element of it, namely *virality*, or the way in which the message spreads. Cruz and Fill (2008) claim that 'viral marketing communication concerns the informal, peer-to-peer electronic exchange of information about an identifiable product or service'. Furthermore, they suggest that viral marketing is not another form of advertising, therefore the distribution of a message should not be controlled by financial means. Viral marketing is using the Internet as a social network to promote a product or company through a web site, video, game, or other message spread by Internet users. The idea of a viral situation is that when a user sees the message, he or she will pass it along to his or her friends through online communication or verbal word of mouth; the message spreads like a virus and its goal is to "infect" as many users as possible (Lodish, Morgan, & Archambeau, 2007). Viral marketing usually encourages users to interact with an advertisement in order to capture consumers' attention in a time when they are able to choose what advertisements they want to see and when (Howard, 2005). Another reason for viral marketing is that it is generally cost effective. The interconnectivity with internet is a global phenomenon that facilitates the dissemination of both positive and negative word-of-mouth (Shankar, Smith, & Rangaswamy, 2003). However, marketers have noted the customer-leveraging possibilities the Internet offers (Brodin, 2000), among which viral marketing is amongst the most intriguing. Viral marketing exploits existing social networks by encouraging customers to share product information with their friends. Previously, a few in depth studies have shown that social networks affect the adoption of individual innovations and products (Rogers, 1995) or (David Starng and Sarah A.Soule, 1998). Social networks can be composed by using various information, i.e. geographic similarity, age, similar interests and so on (Yang and Allenby, 2003) showed that the geographically defined network of consumers is more useful than the demographic network for explaining consumer

behavior in purchasing Japanese cars. A recent study by Hill et al., (2006) found that adding network information, specifically whether a potential customer was already “talking to” an existing customer, was predictive of the chances of adoption of a new phone service option. Frenzen and Nakamoto (1993) surveyed a group of people and found that the stronger the moral hazard presented by the information, the stronger the ties must be to foster information propagation. Bowman and Narayandas, (2001) found that self-reported loyal customers were more likely to talk to others about the products when they were dissatisfied, but interestingly not more likely when they were satisfied. Viral marketing has become an increasingly popular promotional tool (Kirsner 2005; Walker 2004). According to a 2009 study by the media research firm PQ Media, spending on word-of-mouth (WOM) marketing rose at a compound annual growth rate of 53.7% from 2001 to 2008—from US\$76 million to US\$1,543 million—and is forecast to reach over US\$3 billion annually by 2013 (PQ Media 2009). Godes and Mayzlin (2009) used a large-scale field test to study how characteristics of WOM transmitters and their recipients (specifically, whether transmitters are loyal or less loyal customers of a restaurant, and whether recipients are their friends or acquaintances) are related to the effectiveness of WOM in a viral marketing campaign. De Bruyn and Lilien (2008) develop a model to identify the role that WOM plays during each stage of a viral marketing recipient’s decision-making process.

The main limitation of viral marketing is that it risks making the company look bad to the customers if the viral content looks too “fake,” forced, or similar to a conventional advertisement (Scott, 2007). In 2004, for example, the Sci Fi Channel “leaked” a story to the Associated Press that it would air a special called *The Buried Secret of M. Night Shyamalan*, hinting that the network had discovered a secret about the director in working with him to promote his movie *The Village*. Sci Fi later issued a statement saying that the whole ordeal was a hoax to create buzz, fearing a backlash over the fake news (Balter & Butman, 2005) At other times, viral ads have given a company negative press because the company had its name attached to an ad, but was not aware of the ad’s content. In early 2005, a British boutique agency called Lee and Dan made a fake commercial to send to Volkswagen in which a terrorist tried to set off a car bomb inside a Volkswagen Polo, but failed because the car was so sturdy (Batler & Butman, 2005). Volkswagen immediately received bad publicity for using terrorism in the ad, and its reputation was damaged until Lee and Dan admitted that it made the video). Due to its nature of trying to create immediate buzz among consumers, viral marketing is scheduled at least fairly close to the release of the product.

THE OBJECTIVES OF THIS STUDY ARE AS FOLLOWS

- To study the viral effectiveness and behavior of telecom customers towards these advertisements.
- To know whether the Indian customers are mature enough to associate themselves with the new concept developed by telecom companies time to time.
- To compare the promotional strategies of idea vs. Airtel vs. “Har Ek Friend Zaruri Hota Hai” Vs. “Honey Bunny”

VIRAL MARKETING OF ‘HONEY BUNNY’

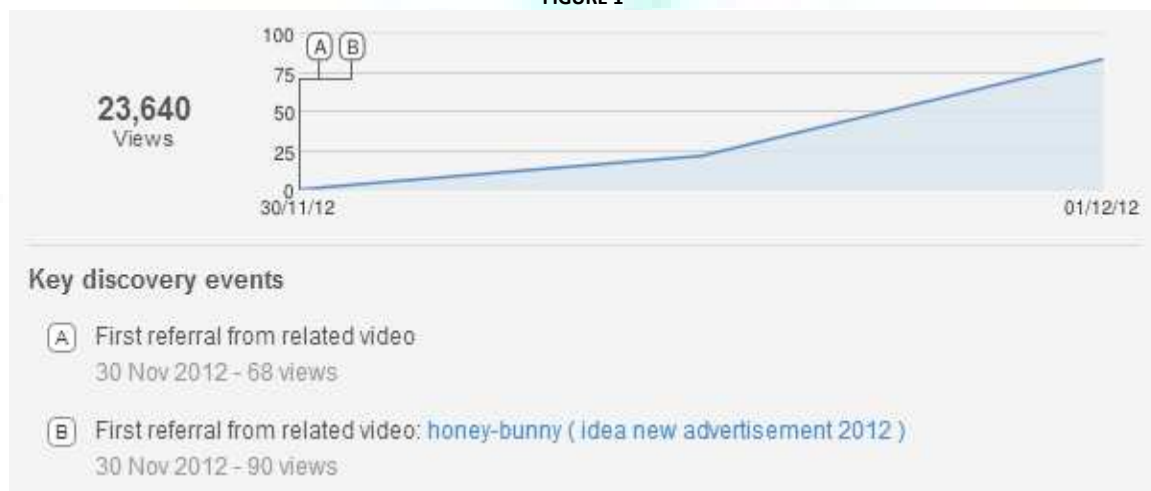
Idea is known for creating catchy jingles that one can’t stop humming. The Honey Bunny sensation has gone quite viral as people are sharing and liking the jingle. The “Idea Rings All India” campaign depicts the diversity of India along with how people from different cultural backgrounds connect as one. In the initial phase, four teasers were launched to create curiosity for three days. Supported by timely radio and TV spots, the teaser campaign generated a lot of buzz, especially among the youth. Later, Idea launched the full 60-second TVC on both digital and television media. The minute-long TVC is developed by Lowe Lintas and the music is composed by renowned Bollywood music composer Amit Trivedi. The new TVC shows Indians from around the country, with varied cultural backgrounds, connecting as one big happy family of over 120 billion people, all of whom are seen humming one song - ‘Honey Bunny’ - albeit with a regional flavour! The campaign is aimed at highlighting the strength of Idea’s pan-India coverage which helps people of this huge Indian family stay connected with their Honey Bunny’s wherever they go – from Kashmir to Kanyakumari, Gujarat to Guwahati, Ladakh to Bengaluru, Rajasthan to Orissa, or Mumbai to Bihar!

What makes the song in campaign so special is something unknown, may be the usage of English freely (Butler English) as that of Kolaveri. The reason behind the popularity of the campaign is the following:

1. The service provider has released this campaign on the right time because at present no rival brands are focusing on “Network coverage service”. Consumers are having lots of complain against various service provider brands. Idea can take this opportunity & benefit by strong establishment of network (coverage).
2. When the other rival brands Airtel (Bharti Enterprise), Vodafone, Uninor, Reliance, Tata Docomo, BSNL etc. are majorly focusing on VAS service, price plan or promotional offers. Idea focused on increasing its subscriber base either by addition of new or by conversions from other brands.

People happened to see the new IDEA commercial, Honey Bunny on the net thanks to teasers on YouTube and links on Twitter. They had not heard it on radio or watched it on TV. If you were to go by the comments on Twitter, there are many who hate it. And then there are YouTube and Face book commenter’s who love it. When people first viewed it, while they found it amusing, they did a double-take and mentioned ‘nation-wide coverage’. Many couldn’t figure out the link between the ad and the message. Also, the brand communication has been pegged on providing new perspectives (Walk and Talk, Festivals, education) on social issues. Nevertheless the ad and the jingle have clearly become popular. The popular blog, Advertising Ka Kamaal saw a huge spike in traffic thanks to the ad sometimes there’s no rational explanation for what makes content go viral. The IDEA song is just no cerebral cuteness – there’s no deep messaging here or an urge for social change. It’s just a happy, catchy song. There’s one other aspect about videos that go viral – they have a huge repeat value and low ‘fatigue quotient’.

FIGURE 1



Source: <http://lighthouseinsights.in/idea-cellular-hello-honey-bunny-video.html>

Idea had a good piece of content in their hands the question was how to go about spreading the word without forcing it on their fans. And hence it created a unique content strategy for the SMM platforms and makes all their fans and followers a bit inquisitive as to “What is Honey Bunny?” And that worked wonders for them.

What started as a tantalizing teaser of the Honey Bunny ad, 29th November onwards, snowballed into a large scale guessing game thanks to an average of 200 shares and hundreds of comments for all Honey Bunny posts on Face book. The promotion campaign continued on Twitter and the Honey Bunny tag soon became commonplace. Soon the full version 2 min 31 sec video was posted through an unofficial source. YouTube users began clamoring for the lyrics of the song, the name of the singers and mp3 download links. The teasers they developed helped in generating huge curiosity, he believes a viral can't be created; it's the people who share it and make it viral.

REASONS BEHIND SUCCESS OF 'HONEY BUNNY'

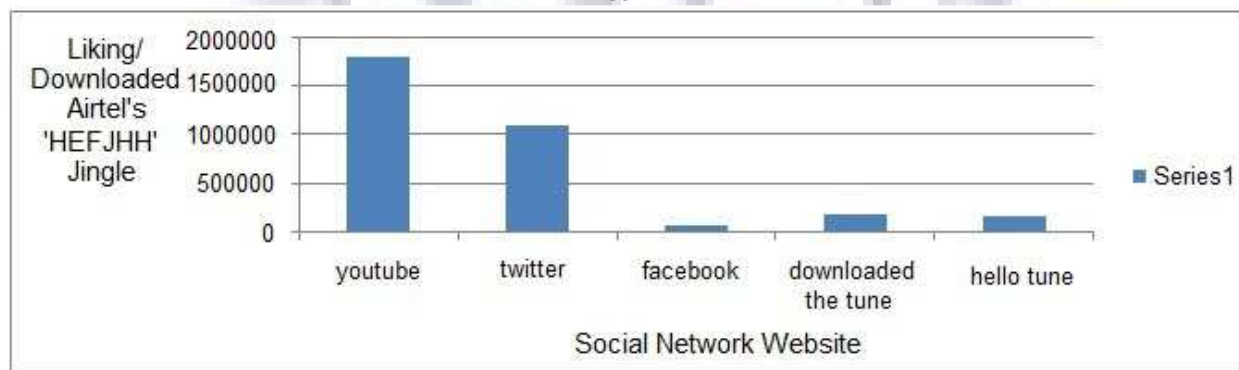
- (1) **Refreshing Jingle:** Idea is always known for catchy jingle that one can't stop humming. The honey bunny jingle has a refreshing and pleasant, pepping music composed by renowned bollywood music composer Amit Trivedi.
- (2) **Use Of 360 Degree Media:** The advertising tool that idea opted for publicity of jingle was through 360 degree spread like T.V, Radio, Digital, Outdoor and Cinema. A big part was played by social networking sites. The song was shared on Twitter, Facebook and other networks like rapid fire. Radio stations have reported that more than 60% listeners have liked the jingle. . This is one of the smartest word of mouth marketing strategies adapted by jingle makers and the jingle became sensational, conversational track on Twitter, Facebook, and Traditional Media and beyond. The jingle was posted on Idea pages on Facebook, Twitter as well as on YouTube which were followed by lakhs of people.
- (3) **Shared By Fans On Social Medias-**The most common version of intentional viral marketing occurs when consumers willingly become promoters of a product or service and spread the word to their friends; they are driven to do so either through an explicit incentive (e.g., financial incentives, need to create network externalities) or simply out of a desire to share the product benefits with friends (e.g., fun, intriguing, valuable for others).That what happened in case of honey bunny.
- (4) **The Concept** – Idea holds a big happy family of over 120 billion people and the campaign is aimed at highlighting the regional flavor that how people of this huge family stay connective with their honey bunny (means their loveable) where ever they go from Kashmir to Kanyakumari because these days people are moving and relocating to towns and cities for education, career and family commitments
- (5) **Language-** The jingle became a hit without having any element of glamour, adoption of a new concept that transcends the language boundary and the audience accepting an experiment that's different from the traditional genre of music. The usage of free English also known as Butler English as that was of Kolaveri di .

VIRAL MARKETING OF 'HAR EK FRIEND JARURI HOTA HAI': - A CASE ANALYSIS

Airtel launched its 'Har Ek Friend Zaroori Hota Hai' commercial, everyone sang along. Besides entertaining one and all with its catchy jingle, the ad served to position Airtel as a brand that stands for friendship, and helps one to stay in touch with all kinds of friends. Now, taking the same thought forward, the brand has rolled out a series of ad films introducing consumers to humorous characters that represent different types of friends. These include bhukkad friend, tubelight friend, chipkoo friend, kanjoos friend, status update friend, beep friend, dhinchik friend, vasooli friend, proxy friend, curious friend, music friend, and despo friend. Friends come in all shapes and sizes. But despite this, all friends are important, says the new Airtel commercial on air at the moment. Drawing on a teenager's ability to make friends and the importance he or she attempted to do two things - target a population, mostly in the 18-20 age-group, that is increasingly taking to data services faster than any other demographic and telling them that the service provider is the best option they have in doing so. "Airtel has always stood for human emotions and relationships. Friendship is one aspect of Taproot India, the agency which created the campaign. "The attempt was to reach out to a younger audience. There could have been no better way to do it than through friendship - something youngsters recognize and understand well. A jingle penned by film lyricist Amitabh Bhattacharya, makes use of 'Hinglish' and popular youth lingo, and has the story of different categories of friends, such as the one who wakes one up during the wee hours for help, or another who may give you company during your financial crunch days. Then, there are friends who are forced, effortless, classroom friends, bike-ride friends, shopping and 'exam hall copying' friends, movie buddies, the 'hi-bye' variety of friends, etc. The jingle ends with 'Har ek friend zaroori hota hai', and with the message that Airtel keeps one connected to their friends. 'Friendship' as a premise has been touched upon by other players in the category previously like Virgin Mobiles or Tata Docomo. Airtel attempts to go beyond frivolous fun, and continues to base its new slug around what it largely stands for – human connection.

Brand Airtel is doing now -- going beyond the admired brand, and becoming one that the youth wants to hang out with." The brief was to get the brand to step down from the pulpit and 'go to the back bench of the class'. Further the whole urban city, youth-ism route is a relatively easier one to take, and the real challenge was to make it edgy, memorable and relevant without being the senseless 'bubblegum' variety. The insight used here was simple: everyone has a different set of friends at a particular time in life, and technology and mobile phones connect a person to all of them. Even the jingle, launched in the form of an anthem, was made out to be raw and edgy to bring out this thought. To add the fresh angle, composer Sampath was briefed to avoid musical instruments and make use of typical 'college setting' sounds such as desks banging, chairs thumping, clapping and cheering, or even a dustbin for producing metallic sounds. The commercial is being supported by outdoor, radio, press, cinema advertising, on-ground initiatives and web media. A Facebook App has also been launched, which is presently running a contest inviting people to come up with different type or categories of friends (and tag their friends there), and the most unique answers shall have the winner get himself a trip to Las Vegas, among other prizes. The application received a creation of over 8,000 'friend types' within the first four days of its launch. The new Airtel ad works well because it triggers an emotional stimulus. It bonds well with the youth by talking to them in their language and more importantly creating connects with them to gain their confidence. However Airtel seems to have got the formula right this time around.

FIGURE 2



Source: <http://consumerbranding.blogspot.in/2011/09/airtel-campaign-har-ek-friend-zaroori.html>

Interpretation:-As shown in the above graph the likings and downloads done by different people from social networking websites. basically the graph shows the popularity of "HEFJHH" Jingle of Bharti Airtel which means youngsters can connect themselves with the jingle in their daily life.

REASONS BEHIND SUCCESS OF 'HAR EK FRIEND JARURI HOTA HAI' JINGLE

- (1) **The Magical Lyrics Of The Jingle:** - It is the one which was on everyone lips with quirky, improvised lyrics went viral and get more than million hits. The jingle is loving, emotional focusing on the friendship concept.

- (2) **Popularity Among Young People:** The jingle has become a rage with the audience with youth being seen and heard humming the song. Given that, India is a young country with 35% of the population less than 28 years of age, anything that caters to the young tastes, is bound to go viral. Statistics of whether 25% or 35% of the population is young can be debatable, but what is no longer debatable, is the fact that the likes and dislikes of the youth cannot be ignored. The attention the jingle has received on the social media is solely responsible for it being such a humungous hit.
- (3) **Outstanding Promotional Strategies-** it is evaluated as the most successful running campaign in the history of Airtel which helped Airtel to re-position itself as a provider catering to the specific needs of the youth. The release date of the jingle made it more effective and remarkable (friendship day) and it instantly goes viral with friends sharing the new jingle with everyone around. The digital campaign on the other hand invites people to create different types of friend and tag their companions appropriately. The person who tags the most number of friends stands to win a trip to Las Vegas with bunch of acolytes.
- (4) **Mother Tongue Effect(The Youth Language)-** The song reached people across the INDIA speaking 1000's of languages and made everyone remember "MOTHER TONGUE INFLUENCE" .It is experienced when youth starts speaking with his friends the language ultimately get changed. Even the song in the movie "Chashme Baddoor" is also influenced by this jingle.

COMPARISON OF 'HONEY BUNNY' AND 'HAR EK FRIEND JARURI HOTA HAI' VIRAL VIDEOS

Viral Elements	Honey Bunny	Har Ek Friend Jaruri Hota Hai
Unique Lyrics	Use of butler English	Hinglish was used
Humor Element	Fun loving, peppy jingle	Fun loving, peppy jingle
Sharing By Fans On Social Networking Sites	Fan following on YouTube, twitter, facebook etc	Fan following on YouTube, twitter, facebook etc
Marketing Strategies	360 degree media, only print media was missing	Majorly through T.V, Radio, Social Networking Sites.
Target Audience	Kids, youth, elder people	Youth
The Message	When you remember your loveable Idea is there-Whole network coverage	The message is hazy-not everybody understand the implication of each friend
Concept	Network and connectivity	Friendship

On the basis of the study of Honey Bunny & Har Ek Friend Jaruri Hota Hai viral videos, viral techniques can be considered by the organizations to design effective marketing campaigns.

- Free Products Or Services:-** Most viral campaigns give valuable products away to attract attention. Free software programs, free ringtones, free e-books are just some examples. Although they may not profit today, by freely giving away these products marketers hope to create a surge of interest they can profit from later. Both the organizations provide these jingles free of cost over internet
- Effortless Transmission Of The Message:-** The medium you choose to propagate your message must be able to easily transfer and replicate. Viral marketing works extremely well on the Web because instant communication is easy and cheap. The digital format makes duplication simple. The marketing message itself must also be brief so that it can be easily be transmitted without getting distorted.
- Doing Something Unexpected:-** This one is very obvious and well suits to video marketing through YouTube and others. What type of videos you would like to watch until you see the name of sponsor has to be hilarious or unexpected? If you want viewers to notice you campaign, you must be doing something surprising, something that is not expected.
- Using Existing Communication Networks:-** Except few basement-dwelling computer geeks most people are social. A person may have close networks of 8-12 people as well as the weaker networked relationships with hundreds; if not thousands. Airtel followed the same strategy by making a facebook app, inviting people to come up with different type or category of friends (tag their friends there) and most unique answer shall have the winner who will win a trip to Las Vegas.
- Allowing Effortless Transfers To Others:-** Sharing is what viral marketing is all about. In flu season, we are advised to stay away from people who cough and asked to wash hands often, not to touch eyes, nose, or mouth because virus can only spread when its easy to transmit! In the same way everything that makes the sharing easier, improves your viral marketing campaign.
- Viral Marketing Campaign Must Aim At Making People Feel Emotional:-** Viral marketing is totally based on emotions. While Airtel jingle was based on friendship which holds a theme of relationship on the other hand Idea's jingle was based on connectivity with everyone to whom you was to be with and wherever in India you are located.
- Select A Target Group And Led It Spread The Message:-** In case of airtel the target group was the youth of India whereas in case of idea the target audience was kids, youth, and elderly people. In India social networking sites are being used by everybody. The fans shared this video's, tag their friend on Facebook, Twitter, comments on YouTube.
- The Message To Be Passed To The Customers About A Product Or Service Should Be Effective And Appealing:-** The videos of both the jingles were simple; the music of Airtel jingle was even composed without music instruments but was appealing which made this jingle go popular.

CONCLUSION

Viral marketing is a business form of marketing as an organization doesn't have to pay a large amount of money to make its campaign successful because viral marketing is relative low-cost. Three types of content are identified by both the telecom companies which increase the likelihood of a video go viral and those include: entertainment (fun, music, and humor), positive message and relationship building. The study of "Har Ek Friend Jaruri Hota Hai" And "Honey Bunny" shows that customers are mature enough to connect themselves with the new concepts and ideas developed by different telecom companies time to time by the use of different techniques of social media marketing like Blogs, Youtube, Facebook, Twitter and Google+ etc as we have analyzed in Advertising ka Kammal Blog page that day on day the number of viewing customers is rapidly increasing. The customers are using the jingles as their hello tunes and ring tones. The promotional strategies adopted by both the companies are different to some extent as the Airtel is focusing on Brand Image whereas Idea is focusing on Network Coverage but both are successful because of their emphasis on customer requirements and effectiveness with which they are satisfying them. For business organizations in order to make marketing campaign successful viral marketers have to create buzz about a product, must start with a product that encourages conversation because it is contagious, evokes an emotional response, and creates visual curiosity or becomes more useful as more people use it. In addition, marketers must insure that there is some personal benefit for the target audience to become engaged in the marketing effort. Thus viral marketing can help an organization in achieving competitive advantage even in turbulent times.

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A STUDY ON FACULTIES PERCEPTION OF STRESS AND COPING STRATEGIES**ANITHA.A****ASST. PROFESSOR****DEPARTMENT OF BUSINESS ADMINISTRATION
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ANNAMALAI****ABSTRACT**

This study investigated stress and coping strategies adopted by faculties in some selected colleges in five states. Questionnaire forms were administered to collect relevant data from 12 randomly selected colleges in India. The result of a chi-square analysis revealed that male and female colleges were significantly different in stress experience, but respondents of different marital status were significantly different. The study also found that male and female, and married and single respondents were significantly different in their coping strategies. The implications of these findings to counselling were discussed in this paper.

KEYWORDS

stress, eu-stress, causes of stress, coping strategies, Addressing the causes of stress, Symptoms of Stress.

INTRODUCTION

Stress has become significant due to dynamic social factor and changing needs of life styles. Stress is man's adaptive reaction to an outward situation which would lead to physical, mental and behavioural changes. Even though stress kills brain cells, not all stresses are destructive in nature. Appropriate amount of stress can actually trigger passion for work, tap latent abilities and even ignite inspirations. The study throws light on the wide spread silent problem by name 'Stress', which gave rise to acute dysfunctions and are called many diseases, increase divorce rates, and other harassments. The work stress is found in all professions. Teaching professionals are very stressed because they are pressured on results. Because of **eu-stress**, they suddenly receive the strength that is required to perform to the best of the ability. Stress can make a person productive and constructive, when it is identified and well managed. The focus of the paper is to study the stress level among faculties and to suggest the coping strategies.

Stress is a part of every employee's life. However, where stress is excessive, personal and organisational performance is at best damaged. At the worst, stress is a liability and a threat to the survival of an organisation. Therefore the researcher attempts to identify the factors that cause high stress among employees and discuss the coping strategies adopted by them to reduce stress.

STRESS

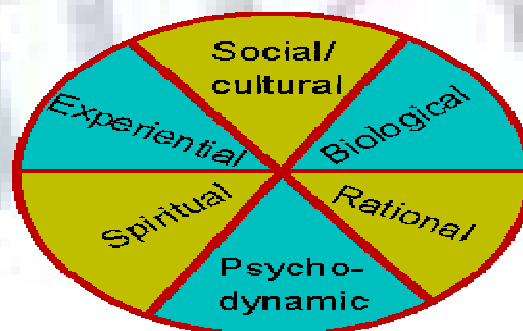
According to one medical researcher, han selye " stress is a non-specific response of the body to any demand."

R. S. Schuller has defined " stress as a dynamic condition in which an individual is confronted with an opportunity constraint or demand related to what he or she desires and for which outcome is perceived to be both uncertain and important."

- Stress basically is state of mind which creates a biomedical reaction in the human body.
- It is mainly caused by a situation which makes excessive physical and psychological demand on the part of an individual. Such a situation is known as a stressor or stimulus.
- A stressful situation generally results in anger, tension, anxiety, depressions, etc.

CAUSES OF STRESS

The factors that contribute to the experience of stress are many and varied. A useful overview of these causes can be gained by using the 'analysis wheel', to view them. Using this wheel, you can take six different perspectives on the causes of stress. Each of the lists below contains a sample of ideas only - there are many more causes of stress than those listed.

FIGURE 1**BIOLOGICAL**

The causes of some stress lie in the biological make up of your body, or the interaction of your body with the food you eat or environment you live in. Some examples of the biological causes of stress include:

- Lack of fitness
- Poor diet (eg: deficiency of vitamins; too much caffeine)
- Allergic reaction to chemicals in food
- Genetic disorder resulting in chemical imbalances in the body
- Changes in bodily functions, such as pregnancy, puberty, menopause, PMT or ageing

SOCIAL/CULTURAL

Stress can be caused by a whole range of social and cultural pressures, such as:

- Change of social circumstances (eg: bereavement of spouse, moving job, marriage, holidays)
- Pressure to conform to social or employment patterns of behaviour, especially where these behaviours are not the preferred behaviours of the individual (eg: demands on an introvert to behave in an extrovert manner).
- Conflict in relationships, or an absence of praise and being valued by others
- Lack of support, time to be listened to, and time for relaxation.
- Having a high-pressure job, being unemployed or only having a small range of social circumstances (eg: rarely leaving the house, few hobbies).

PSYCHODYNAMIC

The term 'psychodynamic' refers to subconscious thoughts and feelings, which often arise from childhood experiences. The way in which you learned to cope in childhood is by using defence mechanisms that involved a degree of self deception. You still use those defences today. Examples of psychodynamic causes of stress include:

- Inner conflicts that have not been addressed, but repressed (ie pushed out of conscious awareness).
- Encountering situations that evoke stressful feelings that were experienced in childhood
- Expending effort to maintain defences in situations that threaten self-esteem.
- Lack of self-awareness
- Increasing self awareness and personal growth

RATIONAL

The rational processes in our minds constantly interpret and evaluate the world around. Events can be interpreted in many ways, and the way in which this is done can influence the level of stress that is felt. Some examples of rational causes of stress include:

- Perceiving the consequences of actions as being dangerous or threatening. These perceptions may or may not be accurate - ie the stress might be beneficial, in preparing for a real danger, or harmful, in creating unnecessary stress.
- Having an inaccurate perception of self.
- Believing one is capable of achieving far too much - setting standards and expectations too high (and therefore falling short of them).
- Misinterpreting the actions of others so as to discount (ie: not accept) the love and support that is given.
- Not having the skill or knowledge to cope with certain situations, such as not having a rational approach to problem-solving, or conflict resolution, and therefore being unable to cope with problems as they arise.

EXPERIENTIAL

What are you experiencing at this point in time, and how are you, personally, reacting to it? The way in which each individual experiences each snapshot in time, even in very similar situations, is very different. One person may find a situation highly stressful, whilst another may find it stimulating or enjoyable - every reaction is unique. There may be many instant pressures that cause an individual to experience stress, such as:

- Too many simultaneous demands from different people
- Environmental stresses, such as noise, cramped conditions, or cluttered surroundings.
- Needs that are being unmet or frustrated.
- The appearance of a threat to survival, self-esteem, or identity.
- Change in patterns of eating, sleeping, time zone, relationships etc..

SPIRITUAL

The need for individual spiritual development has long been recognised by religion. It is only during the last 30 years that psychology has acknowledged the existence of a spiritual side to the individual. Some spiritual causes of stress include:

- Violation of personal or religious moral code, contravention of accepted group practice, or violation of laws ("sin")
- Lack of spiritual development
- An absence of truth (eg: self-deception and deception of others)
- The lack of a sense of personal agency - ie that one can influence events - or the failure to recognise and exercise choice.
- Absence of a relationship with God, and lack of forgiveness.

ADDRESSING THE CAUSES OF STRESS

Once you have identified the causes of your stress, you can then make plans to address them. For example:

CAUSE OF STRESS	ACTION THAT CAN BE TAKEN TO REDUCE STRESS
Need for time of privacy and solitude not being met	Find a place and a time of day when you can be on your own, or go on a retreat
Lack of fitness	Engage in some sport or fitness activity (may need to consult your doctor)
Unexplained inner feelings of stress	Consult a doctor, and perhaps get referral to an appropriate specialist (eg: a counsellor or dietician)
Stressful job circumstances	Negotiate different working schedules with your boss
PMT	Consult your doctor about available treatments
Lack of skill to resolve conflict or manage demanding workload	Attend training courses in assertiveness, conflict resolution or time management

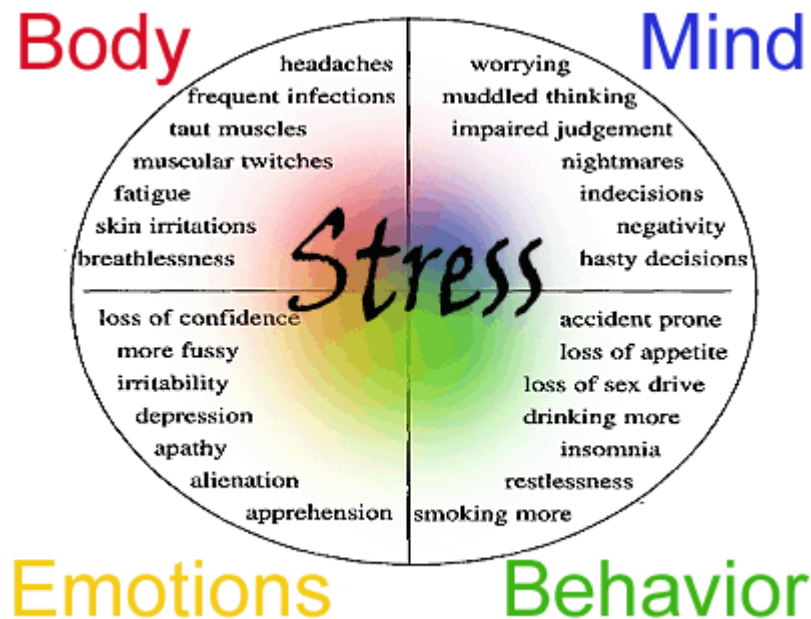
SYMPTOMS OF STRESS

The symptoms of stress can show up mentally, physically, emotionally or behaviorally, and within each category they cover a wide range of symptoms. There is no one list of symptoms that describes stress because the symptoms themselves are highly subjective and as varied as we are.

Stress Symptoms show up differently for each one of us.

This is because each of us experiences stress differently. A steep roller coaster dive might be enormously distressful for some of us yet the same ride can be pleasant for others. Our stress responses are also widely different. Some people blush others pale, some eat more, some less.

FIGURE 2

**COPING STRATEGIES**

Stress may be inevitable, but how you deal with it is largely up to you. Here are some ideas to help you create your own stress defense.

- **Use your support system** – You may feel better sharing your feelings with a caring friend or family member. It can help to know that you're not the only one who has disagreements with a spouse, problems with parenting or other worries.
- **Talk it over with yourself** – We often have no control over the unpleasant events that happen in our lives, but we can change what we say to ourselves about these events. All our feelings are greatly affected by what we say to ourselves.

Avoid:

- Catastrophizing ("This is the worst thing that ever happened to me.")
- Generalizing ("My dog doesn't like me therefore, no one will.")
- Projecting ("I'm sure this isn't going to work out.")

Instead, try telling yourself "I am loved and safe" Practice talking nicely to yourself.

- **Don't demand perfection** – Ease up on yourself and those around you – accept that everyone has both strengths and shortcomings.
- **Just say no** – Sometimes, we take on too much. You can avoid feeling overburdened by setting realistic goals and priorities. Remember, it's OK to say no to requests that push you beyond your limits.
- **Take one thing at a time** – Instead of thinking of other things you should be doing, focus on the task at hand and do it well. You'll enjoy the sense of accomplishment and regain a sense of control.
- **Strive for balance in your life** – Make time for activities and people you enjoy. Taking your mind off stressful matters for a while can help you keep a healthy perspective.
- **Be active** – Walk your dog, go dancing or join a gym. If you're generally healthy, aim to get at least 2.5 hours a week of moderate-intensity aerobic activity. At least two days a week, work in some muscle-strengthening activity at a moderate intensity or higher. Just be sure to check with your doctor before significantly increasing your level of physical activity.
- **Eat healthfully** – Some people reach for junk food or turn to other unhealthful eating habits when they are under stress. Reduce consumption of caffeine and refined sugar, and increase your consumption of whole grains, nuts, fruits and vegetables.
- **Avoid unhealthy behaviors** – Some people drink too much alcohol or over-eat to cope with stress. Talk with your doctor if you need help.
- **Get in touch** – Hug someone, hold hands or stroke a pet. Physical contact is a great way to relieve stress.
- **Practice rest and relaxation** – Take six deep breaths. Breathe slowly and deeply in through your nose, and out through your mouth. Use your imagination to place yourself on the beach, or in some other pleasant place from the past. Close your eyes and imagine the scene in detail, including all your senses. In just a couple of minutes you can re-experience the pleasure of actually being there. Get at least seven hours of sleep nightly. And, if your health permits, meditation, yoga or even tai chi can help you feel calm. Look for these types of classes in your community or try a video. Even losing yourself in a good book or taking a quiet walk can help you unwind.
- **Learn to laugh** – Rent a comedy video and watch it with others (you'll laugh more).
- **Stretch** – Stand up. Raise your arms above your head. Stretch left and hold 1-2-3-4. Stretch right and hold. Repeat the stretch several times.
- **Stop smoking** – Nicotine is a stimulant, and it can increase anxiety.
- **Seek professional help** – If your stress your level becomes severe, seek help from a mental health professional who can help determine the best course of treatment for you.

METHODOLOGY

Designing a suitable methodology and selection of analytical tools are important for a meaningful analysis of any research problem. In this study, Empirical research design. Both primary and secondary data have been used for the present study.

HYPOTHESIS

H1: Occupational stress has impact on organizational level outcomes

DATA AND PROFILE OF THE RESPONDENT COMPANIES

The study is based on a survey conducted in 12 Information Technology companies in and around INDIA with sample size 100. Out of total sample, 65 (65%) were men and rest women. The respondents were software professionals at lower and middle levels with a mean of about 5 years in the company and 7 years in industry.

TABLE 1: SAMPLE DESCRIPTION

Age group	Sample size
20-29	15
30-34	30
35-39	30
>40	25

Total sample size: 100

TABLE 2: SHOWS THAT, THE STRESS AMONG FACULTIES AT BODY, MIND, BEHAVIOURAL AND EMOTIONAL LEVELS

Age group	20-29	30-34	35-39	>40
Impact on Body	5	5	10	80
Impact on Mind	8	12	75	5
Impact on Behaviour	62	28	5	5
Impact on Emotions	25	55	10	10

ANALYSIS OF THE TABLE 2 STATISTICS**IMPACT ON BODY**

From the Table 2, 80% of respondents from >40 age group felt high level of stress impact on body followed by 10% from 35 -39 age group, 5% from 30 -34 age group and 5% from 20 -29 age group. Stress impacts on body lead to headaches, fatigue, Hypertension, Coronary artery diseases, Skin disease etc., the data obtained from primary source, draw the attention and alarming the individual as well as colleges.

IMPACT ON MIND

75% of respondents from 35 -39 age group felt high level of stress impact on mind followed by 12% from the age group of 30 -34 and 8% from the rest age groups. Depressions, Anger, Irritability, Mood swings, Lack of self-confidence etc., are the symptoms of stress on mind which leads to serious effect on individual

IMPACT ON BEHAVIOUR

62% from 20 -29 age group felt high level of stress impact on behaviour followed by 28% from the age group of 30 -34, 5% from 35 -39 and 5% from >40 age group. Stress impacts on behaviour leads to Unsafe behaviour pattern, Speech disturbance, and even suicidal tendencies etc.,

IMPACT ON EMOTIONS

55% from 30 -34 age group felt high level of stress impact on emotions followed by 25% from the age group of 20 -29, 10% from 35 -39 ages and 10% from above 40 years. Emotional impact of stress on individual leads to Alienation, apprehension etc., causes absenteeism, employee turnover and low productivity etc.

Ho: suggestion proved not used to coping strategies

Ha: suggestion proved used to coping strategies

TABLE 3: CHI-SQUARE ANALYSIS

O _i	E _i	(O _i -E _i)	(O _i -E _i) ²	(O _i -E _i)/E _i
15	100	-85	7225	72.25
30	100	-70	4900	49
30	100	-70	4900	49
25	100	-75	5625	56.25
				226.5

Degree of freedom=3

Calculated value=226.5

Table value @ 5% confident level is= 7.815

Therefore calculated value is greater than the table value. So, Ho is rejected.

The conclusion is suggestion proved used to coping strategies.

TABLE 4: ANALYSIS OF VARIANCE (ANOVA): TYPE COPING STRATEGIES

COPING STRATEGIES	f	p
Confronting coping	1.325	0.263
Distancing	1.597	0.172
Self controlling	0.926	0.470
Seeking social support	0.628	0.679
Accepting responsibility	0.831	0.532
Escape avoidance	5.182	0.000
Planful problem-solving	1.761	0.131
Positive reappraisal	1.159	0.338

No significant difference in coping strategies used were seen in terms of work area overall (f=1.356, p=>0.05), however there was a significant difference for the escape avoidance sub-scale (p=<0.05)

LIMITATIONS OF THE STUDY

Geographical location of this study is limited to India, with sample size of 100 faculties from 12 colleges. The primary data collected for this study is perceptual.

SUMMARY

The stages involved in managing stress are:

1. recognising the symptoms of stress
2. identifying the causes
3. taking action to address the causes and thereby reduce the symptoms
4. where necessary, taking interim steps to relieve the symptoms until the underlying causes have been addressed.

CONCLUSION

This study was conducted among college staff because of the popular belief that professionals in education sector are highly susceptible to stress and attendance consequences. Although, this study revealed that there was no significant difference in the stress experienced by male and female faculties, it confirmed that faculties are stressed. Stress can make an individual productive and constructive when it is identified and well managed. In times of great stress or adversity, it's always best to keep busy, to plow anger and energy into something positive. Positive attitude and meditation will be helpful for coping the stress. Having broader perspective of life will definitely change the perception of stress.

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CONSUMER PERCEPTION ON ORGANIZED AND UN-ORGANIZED RETAIL OUTLETS: A STUDY IN COIMBATORE

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ABSTRACT

Retailing consists of the activities involved in selling directly to the ultimate consumer for personal, non-business use. At present, organized and unorganized retail stores act as an important part of every human life. It helps the people to purchase all the items in one place. The consumer cannot act as same at the time of purchasing goods. Some consumer act as the prospective buyer to choose the right brand based on his/her needs. Some consumer are not with awareness to purchase quality product at reasonable price. In the competitive market, consumers should be prepared to purchase goods.

KEYWORDS

Perception, Opinion, Organized retail, unorganized retail, Factors of influence.

INTRODUCTION

The main objective of this study is to analyze the customers' perception about the organized and unorganized retailers at COIMBATORE city in TAMIL NADU. For this purpose business like General Merchant, Vegetable Sellers, Electrical Shops, Electronic Shops and Stationary Shops were considered. The Scope of the study also includes factors that influenced the perception regarding, products, services offered, price charged, discount given to the customers, promotional activities, problems handling that was faced by customer during and after purchase, availability of variety of products and customer relationship.

OBJECTIVES OF THE STUDY

1. To find out the factors that influences the consumers to make them buy from organised and unorganized retailers.
2. To offer suggestions to both organized and unorganized retailers.

HYPOTHESIS

1. Opinion of consumers about the services provided by the organized and unorganized retailers.
2. There is no Association between the Gender and the factors considered for buying from the organized retailer.
3. There is no Association between the Gender and the factors considered for buying from the unorganized retailer.
4. There is no Association between the Income and the factors considered for buying from the organized retailer.
5. Respondents' Nature of location and perception about organized and unorganized retailers are independent of each other.
6. Respondents' age and pleasant shopping experiences at organized and unorganized retail formats are independent of each other.

RESEARCH METHODOLOGY

Design of the Study	Description
Sample size	200
Sample Method	Convenient sampling
Nature of data	Primary and Secondary
Tools	Chi-sqaure test and Weighted average

ANALYSIS AND INTERPRETATIONS

TABLE: 1 DEMOGRAPHIC CHARACTERISTICS

Demographics	No. of respondents	Percentage
AGE		
Less than 30	38	19
31-35	42	21
36-40	95	48
Above 40	25	12
GENDER		
Male	133	67
Female	67	33
EDUCATIONAL QUALIFICATION		
Matric	18	9
HSC	15	7
Graduation	85	43
Post Graduation	52	26
Professional	25	12
Others(specify)	5	3
OCCUPATION		
Student	27	14
Government Employees	40	20
Private Employees	28	14
Business men	17	8
Professional	19	10
Housewife	36	18
Agriculture	18	9
Others(Specify)	15	7
MONTHLY INCOME		
Less than 15000 Rs	42	21
15001 to 20000 Rs	112	56
Above 20000 Rs	46	23
FAMILY NATURE		
Joint	58	29
Nuclear	142	71
LOCATION		
Urban	121	61
Semi-Urban	79	39
MARITAL STATUS		
Single	57	29
Married	143	71

Source : Primary Data

The demographic variables of the consumer respondents (Table 1) shows that the majority of them (48%) belonged to the age group of 36 - 40, with (21%) of the respondents falling in the age group of 31-35. This shows that the majority are middle aged group. A majority of the respondents (43%) were graduates, followed by Post-graduates (26%). This demonstrates that the education level is also a factor that plays a major role in the urban and semi-urban areas. It further reveals that majority of the respondents are Government employees (20%) and it is followed by housewives (18%). When we consider the income level of the respondents majority (56%) of them fall under 15001 to 20000 Rs. A majority of 71% of the respondents were living in the nuclear type of family, living in the urban location (61%). Majority (71%) are married and they have dependent children.

TABLE 2: RESPONDENTS OPINION OF GETTING A PLEASANT SHOPPING EXPERIENCE

Sl.No	Form of retailers	No. of Respondents	Percentage	Rank
1	Organized Retailers	143	72	1
2	Unorganized retailers	57	28	2
	TOTAL	200	100	

Source : Primary Data

From Table 2, we see that the shoppers have a pleasant experience in both the formats of retailing and among that 72% of the respondents felt that they had a pleasant experience in organized retailing and 28% said that they had the same from unorganized retailing.

TABLE 3: MAJORITY OF PURCHASES MADE BY RESPONDENTS ACCORDING TO THEIR GENDER

Sl.No	Gender	Respondents' opinion on majority of purchases			
		organized	percent	unorganized	percent
1	Male	77	65	56	68
2	Female	41	35	26	32
	TOTAL	118	100	82	100

Source : Primary Data

From the above table we can conclude that majority of purchases made both in organized and in unorganized retail stores depend on their gender. 65% of the respondents are male who make their purchase in the organized format. 41% are female. 68% are male who opt to buy from unorganized retail stores and 32% of them are females.

TABLE 4: MAJORITY OF PURCHASES MADE BY RESPONDENTS ACCORDING TO THEIR INCOME

Sl.No	Income	Respondents' opinion on majority of purchases			
		organized	percent	unorganized	percent
1	Less than 15000 Rs	11	20	21	26
2	15001 to 20000 Rs.	35	64	49	60
3	Above 20000 Rs.	09	16	12	14
	TOTAL	55	100	82	100

Source : Primary Data
*** students and housewives have been excluded.

Table 4 shows that majority of purchases made both in organized and in unorganized retail stores depend on their income. 20% of the respondents make their purchase in the organized format and their income is less than 15000 Rs. 26% buy from unorganized format and they fall in the same category. 64% of the respondents falling in the slab of 15001 to 20000 buy from the organized format, 60% from the same slab buy from the unorganized sector. 16% from the category of Above 20000 buy from organized and 14% from the unorganized sector.

TABLE 5: MAJORITY OF PURCHASES MADE BY RESPONDENTS ACCORDING TO THEIR FAMILY NATURE

Sl.No	Nature of Family	Respondents' opinion on majority of purchases			
		organized	percent	unorganized	percent
1	Joint	37	44	43	37
2	Nuclear	48	56	72	63
	TOTAL	85	100	115	100

Source : Primary Data

Considering the purchases made both in organized and in unorganized retail stores based on the Family nature, Table 5 shows that 44% of the category of Joint Family, preferred to buy from the organized retail store, whereas as 37% have bought from the unorganized sector. In the Nuclear Nature of the family 56% go for organized and 63% for the unorganized sector of retail stores.

TABLE 6: MAJORITY OF PURCHASES MADE BY RESPONDENTS ACCORDING TO THEIR LOCATION

Sl.No	Location	Respondents' opinion on majority of purchases			
		Organized	Per cent	Un-organized	Per cent
1	Urban	61	72	39	34
2	Semi-Urban	24	28	76	66
	TOTAL	85	100	115	100

Source : Primary Data

The above given table reveals regarding the purchases made both in organized and in unorganized retail stores based on the location of the respondents. 72% of the urban population goes for organized stores and 34% go to the unorganized sector. In the category of Semi-Urban population 64% prefer to go for organized and 28% opt for the organized sector.

HI: There is an Association between the Gender and the factors considered for buying from the organized retailer

HO: There is no Association between the Gender and the factors considered for buying from the organized retailer.

TABLE 7: FACTORS TAKEN INTO CONSIDERATION WHILE PURCHASING FROM ORGANIZED RETAIL STORES BASED ON GENDER

Sl.No	Gender	Respondents' opinion on majority of purchases				Statistical inference
		Good Quality	Reasonable price	Self-Service Satisfaction	Total	
1	Male	26	12	15	53	Chi value=1.22 Df= 2
2	Female	13	10	9	32	
	TOTAL	39	22	24	85	

Source : Primary Data

From the Table 7, It is clear that the calculated Chi-Value is less than the table value, so the Null Hypothesis is accepted. There is no Association between the Gender and the factors considered for buying from the organized retailer.

TABLE 8: RESPONDENTS OPINION ABOUT THE FACTORS THAT INFLUENCE THEIR PURCHASES FROM ORGANIZED AND UNORGANIZED RETAILERS

Sl. No	Reason for purchase	Organized					unorganized				
		3	2	1	Mean Weight	Rank	3	2	1	Mean Weight	Rank
		G	N	B			G	N	B		
1.	Product Quality	51	20	14	2.75	1	43	60	12	2.27	1
2	Price	31	44	10	2.24	5	38	59	18	2.17	3
3	Discount	21	57	7	2.16	7	32	63	20	2.10	4
4	Offers	35	39	11	2.28	3	37	54	34	2.20	2
5	Customer Care	34	42	9	2.29	2	22	51	42	1.83	8
6	Complaint Handling	23	43	19	2.05	8	21	65	29	1.93	7
7	Customer Services	26	49	10	2.19	6	31	57	27	2.03	5
8	Information about Products	28	51	6	2.26	4	34	40	41	1.94	6

Source : Primary Data
**G-Good, N-Neutral, B-Bad

Table 8 shows that the Factors that influence the purchase is Product Quality in both the sectors and Customer care comes in the second place in the organized sector. Offers ranks second in the unorganized sector. Organized sector falls too short in complaint handling and it ranks the 8th. Customer care is falling as the last rank in the unorganized sector.

HI: There is an Association between the Gender and the factors considered for buying from the unorganized retailer

HO: There is no Association between the Gender and the factors considered for buying from the unorganized retailer.

TABLE 9: FACTORS TAKEN INTO CONSIDERATION WHILE PURCHASING FROM UNORGANIZED RETAIL STORES BASED ON GENDER

Sl.No	Gender	Respondents' opinion on majority of purchases				Statistical inference
		Good Quality	Reasonable price	Self-Service Satisfaction	Total	
1	Male	21	24	18	63	Chi value=0.188
2	Female	18	21	13	52	Df= 2
Source : Primary Data						

As indicated in the table 9, there is no Association between the Gender and the factors considered for buying from the unorganized retailer and hence the null hypothesis (HO) is accepted.

HI: There is an Association between the Income and the factors considered for buying from the unorganized retailer

HO: There is no Association between the Income and the factors considered for buying from the unorganized retailer

TABLE 10: FACTORS TAKEN INTO CONSIDERATION WHILE PURCHASING FROM UNORGANIZED RETAIL STORES BASED ON INCOME

Sl.No	Income	Respondents' opinion on majority of purchases				Statistical inference
		organized	percent	unorganized	percent	
1	Less than 15000 Rs	09	07	08	24	Df = 4
2	15001 to 20000 Rs.	15	13	12	40	
3	Above 20000 Rs.	07	05	06	18	
	TOTAL	31	25	26	82	
Source: Primary Data.						

As Table 10 indicates, there is no Association between the Income and the factors considered for buying from the unorganized retailers; hence the null hypothesis (HO) is accepted.

HI: There is an Association between the Location and the factors considered for buying from the organized/unorganized retailer.

HO: There is no Association between the Location and the factors considered for buying from the organized/unorganized retailer.

TABLE 11: RESPONDENTS' PERCEPTION ABOUT ORGANIZED AND UNORGANIZED RETAILERS ACCORDING TO THEIR LOCATION

Sl.No	Location	Respondents' opinion about organized and unorganized retailer				Statistical inference
		GOOD	Neutral	BAD	TOTAL	
1	Urban	35	59	24	118	Chi value=1.428
2	Semi-Urban	28	34	20	66	Df=1
	TOTAL	63	93	44	200	
Source : Primary Data						

As Table 11 indicates, there is no Association between the Income and the factors considered for buying from the unorganized retailers; hence the null hypothesis (HO) is accepted

HI: There is an Association between the Shopping Experience of the respondents and the factors considered for buying from the organized/unorganized retailer.

HO: There is no Association between the Shopping Experience respondents and the factors considered for buying from the organized/unorganized retailer.

TABLE 12: RESPONDENTS' PERCEPTION ABOUT SHOPPING EXPERIENCE AT ORGANIZED AND UNORGANIZED RETAILERS ACCORDING TO THEIR AGE

Sl.No	Location	Respondents' opinion about organized and unorganized retailer				Statistical inference
		GOOD	Neutral	BAD	TOTAL	
1	Urban	35	59	24	118	Chi value=1.428
2	Semi-Urban	28	34	20	66	Df=1
	TOTAL	63	93	44	200	
Source : Primary Data						

As indicated in Table 12, there is no Association between the Location and the factors considered for buying from the organized / unorganized retailer and hence the null hypothesis (HO) is accepted.

HI: There is an Association between the age of the respondents and the factors considered for buying from the organized/unorganized retailer.

HO: There is no Association between the Shopping Experience and the factors considered for buying from the organized/unorganized retailer.

TABLE 13: RESPONDENTS' PERCEPTION ABOUT SHOPPING EXPERIENCE AT ORGANIZED AND UNORGANIZED RETAILERS ACCORDING TO THEIR AGE

Sl.No	Age	Respondents' opinion about shopping experience			Statistical inference
		Pleasant	Unpleasant	TOTAL	
1	Less than 30	25	19	44	Chi value=2.11
2	31-35	31	22	53	Df=1
3	36-40	33	37	70	
4	Above 40	16	17	33	
	TOTAL	105	95	200	
Source : Primary Data					

As indicated in Table 13, there is no Association between the Age and the factors considered for buying from the organized / unorganized retailer and hence the null hypothesis (HO) is accepted

SUGGESTIONS

❖ **FOR THE ORGANISED RETAILERS**

- 1) Researchers suggest that the organized retailers must take initiative to improve their complaint handling and that would enhance them to retain the customers with them.
- 2) The organized stores can afford to extend credit facilities to the customers and by doing so they can improve the sales.
- 3) A Sustainable effort must be taken to attract the low income level (less than 15000) group to their stores by offering promotional schemes to them.

❖ **FOR THE UNORGANISED RETAILERS**

- 1) Researchers suggest that the unorganised retail stores give importance to the customer care and attend to the feedback to maintain their relationship with the consumers.
- 2) They can go for Multiple Assortment of Products and target more consumers.
- 3) They should not allow the low income group to drift away from them and also provide better amenities to attract the high income group to them.

CONCLUSION

The present study was made among the consumers to know their opinion regarding the organized and unorganized retail store, since there emerges a new scenerio in India with the advent of corporates in the retailing sector. The Study has found that the consumers were highly aware of the stiff competition and also the promotional offers offered by various corporate gaints. The consumer no more is expecting shopping to be a duty but he wants it to be a pleasant and pleasing experience in his life. So, organized and the unorganized sector must keep all this in mind in the future. The researchers have given suggestions to the organized and the unorganized sector to bridge the gap between the perception and the derived behaviour of the consumer.

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ABSTRACT

Quality of Life (QWL) is the extent of relationships between individuals and organizational factors that existing in the working environment. It is focusing strongly on providing a work environment conducive to satisfy individual needs. It is assumed that if employees have more positive attitudes about the organization and their productivity increases, everything else being equal, the organization should be more effective. The present study was conducted to examine the work related factors and demographic factors have any relationship with the perception of quality of work life and to explore the relationship between quality of work and quality of life in textile industries located at Rajkot, Surat and Ahmedabad cities of Gujarat. The work related factors are combined in six categories: working environment, welfare measures, safety measures, supervision, participation in decision making and intercommunication. The results hold that demographic factors and work related factors have significant relationship with perception of quality of work life. Present research limited upto 3 location ie. Rajkot, Surat and Ahmedabad textile industry which can be enlarge for future study with different variables which can effect on Quality of work life for workers of different industry and backgrounds.

KEYWORDS

Job Satisfaction, Quality of work life (QWL), Textile Industry workers, working environment.

INTRODUCTION

OVERVIEW OF INDIAN TEXTILE INDUSTRY: India Textile Industry is one of the leading textile industries in the world. Though was predominantly unorganized industry even a few years back, but the scenario started changing after the economic liberalization of Indian economy in 1991. The opening up of economy gave the much-needed thrust to the Indian textile industry, which has now successfully become one of the largest in the world. India textile industry largely depends upon the textile manufacturing and export. It also plays a major role in the economy of the country. India earns about 27% of its total foreign exchange through textile exports. Further, the textile industry of India also contributes nearly 14% of the total industrial production of the country. It also contributes around 3% to the GDP of the country. India textile industry is also the largest in the country in terms of employment generation. It not only generates jobs in its own industry, but also opens up scopes for the other ancillary sectors. India textile industry currently generates employment to more than 35 million people. It is also estimated that, the industry will generate 12 million new jobs by the year 2010. Indian textile industry can be divided into several segments, some of which can be listed as below:

- Cotton Textiles
- Silk Textiles
- Woolen Textiles
- Readymade Garments
- Hand-crafted Textiles
- Jute and Coir

CURRENT SCENARIO: The Indian textile industry contributes about 14 per cent to industrial production, 4 per cent to the country's gross domestic product (GDP) and 17 per cent to the country's export earnings. The industry provides direct employment to over 35 million people and is the second largest provider of employment after agriculture. The total cloth production increased by 10.2 per cent during September 2010 as compared to September 2009. The highest growth was observed in the power loom sector (13.2 per cent), followed by hosiery sector (9.1 per cent). The total cloth production during April-September 2010 has increased by 2.1 per cent compared to the same period of the previous year. The total textile exports during April-July 2010 (provisional) were valued at US\$ 7.58 billion as against US\$ 7.21 billion during the corresponding period of the previous year, registering an increase of 5.20 per cent in rupee terms. The share of textile exports in total exports was 11.04 per cent during April-July 2010. Cotton textiles has registered a growth of 8.2 per cent during April-September 2010-11, while wool, silk and man-made fiber textiles have registered a growth of 2.2 per cent while textile products including wearing apparel have registered a growth of 3 per cent. India has the potential to increase its textile and apparel share in the world trade from the current level of 4.5 per cent to 8 per cent and reach US\$ 80 billion by 2020.

Textiles and apparel industry exports, valued at US\$ 20.02 billion (INR 963.05 billion), contributed about 11.5 per cent to the country's total exports in 2008-09. (figure 1)

FIGURE 1: A BRIEF REPORT TEXTILE INDUSTRY IN INDIA JANUARY, 2010

Export item	Export value (2008-09) US\$ billion(INR billion)	Share in total textiles exports (%)
Cotton textiles	4.54(218.08)	22.64
Manmade textiles	3.14 (150.88)	15.67
Silk textiles	0.64 (31.06)	3.23
Wool and woollen textiles	0.45(21.99)	2.28
RMG	9.81 (471.1)	48.92
Handicrafts(including carpets)	1.02(49.39)	5.13
Jute	0.28(13.75)	1.43
Coir and coir products	0.14(6.80)	0.71

(http://www.cci.in/pdf/surveys_reports/indian-textile-industry.pdf)

There are several players which are contributing in the textile industry a lot.

The total textiles imports into India in 2008-09 were valued at US\$ 3.33 billion (INR 160.93 billion).

FIGURE 2: A BRIEF REPORT TEXTILE INDUSTRY IN INDIA JANUARY, 2010

Import item	Import value (2008–09) US\$ billion(INR billion)	Share in total textiles imports (%)
Raw material	0.78(37.84)	23.51
Semi-raw material	0.75(36.14)	22.46
Yarn, fabrics	1.46 (70.49)	43.80
RMG	0.13(6.25)	3.88
Made-up textiles articles	0.21(10.21)	6.35

(http://www.cci.in/pdf/surveys_reports/indian-textile-industry.pdf)

MAJOR PLAYERS AND THEIR TURNOVER

FIGURE 3 : A BRIEF REPORT TEXTILE INDUSTRY IN INDIA January, 2010

Company	Turnover (2008–09) US\$ billion (INR billion)	Business areas
Welspun India Ltd	1.19(57.4)	Home textiles, bathrobes, terry towels
Vardhman Group	0.7	Yarn, fabric, sewing threads, acrylic fibre
Alok Industries Ltd	0.62(29.76)	Home textiles, woven and knitted apparel fabric, garments and polyester yarn
Raymond Ltd	0.54	Worsted suiting, tailored clothing, denim, shirting, woolen outerwear
Arvind Mills Ltd	0.48(23.44)	Spinning, weaving, processing and garment production (denims, shirting, khakis, knitwear)
Bombay Dyeing & Manufacturing Company Ltd	0.27(13.16)	Bed linen, towels, furnishings, fabric for suits, shirts, dresses and saris in cotton and polyester blends
Garden Silk Mills Ltd	0.27(13.31)	Dyed and printed fabric
Mafatlal Industries Ltd	0.03(1.27)	Shirting, poplins, bottomwear fabrics, voiles
Aditya Birla Nuvo, a diversified conglomerate of the Aditya Birla Group, comprising three divisions — Madura Garments, Jayashree Textiles and Indian Rayon	3 (consolidated revenues for Aditya Birla Nuvo)	Madura Garments —lifestyle market (Louis Philippe, Van Heusen, Allen Solly, The Collective) Jayashree Textiles —domestic linen and worsted yarn Indian Rayon —viscose filament yarn
ITC Lifestyle	0.62 (for total FMCG business)	Lifestyle market
Reliance Industries Ltd	28.85 (total group)	Fabric, formal menswear

(http://www.cci.in/pdf/surveys_reports/indian-textile-industry.pdf)

Gujarat is one of the leading industrial states in India and textile industry in particular had contributed in a big way to the industrialization of the State. In fact, development of many industries likes, Dyestuff, Chemicals, Engineering/Foundry and Cotton farming is solely dependent on this sector. The State is well known for development of Hy-breed Cotton, Ginning, power looms, composite mills, spinning units and independent processing Houses. Textile Industry in general has suffered a setback, in specific, in organized sector, all over the country in the recent past. Gujarat was not an exception to this development. However, growth is prominently observed in decentralized sectors e.g. Power loom and Textile Processing, mainly in Surat and Ahmedabad. Overall economic growth of the State is very much dependent on this sector. 24% to 28% of fixed investment, production value and employment of the SSI sector are from textiles alone. Further, 23% of GSDP comes out of textiles in the State, 16% of the cultivated land area of the state is for cotton and Gujarat is the largest cotton producer in the country. About 30% of woven fabric from organized sector and 25% of decentralized power loom sector of the country comes from this State alone. Large Fabric Process Houses are concentrated in Ahmedabad (250) and Surat (350) in the State. Surat is the largest Centre of Art Silk Fabric producing over 40% of the Art Silk fabric produced in the country. The State accounts for 12% share of the total textile exports of the country. A large number of Garment Units and Garment Processing Units are developed in urban areas of the State. Realizing the need, State Government has, therefore, taken active step in developing Apparel Park, one at Surat and the other at Ahmedabad under active support of Union Ministry of Textile. Besides, Jetpur, a Centre of Sari Printing, has been already earmarked for setting up a Textile Park in near future. In Gujarat, textile industry mainly manufactures cotton-based fabrics in Mill Sector. The major reason is being easy availability of the basic raw material in the State, i.e. Cotton. Similarly, many spinning units producing only 100% cotton yarns were established in the state. The State happened to be more conservative with cotton textile products mainly in organized sector. Surat art silk manufacturers are only exceptions, weaving, and Synthetic Textiles in decentralized sector. Similarly, independent processing units' process synthetic blended and cotton fabrics. Clusters of processing units are located at Surat, Ahmedabad (Narol) and Jetpur. Though these units fall under decentralized sector, some of them operate on medium scale production capacity having good capability of processing wide range of fabrics.

Ready-made garment manufacturers and hosiery knit wear units also exist in SSI category. In early 1990s, Gujarat saw a dramatic change in its textile industry scenario where quite a few textile mills started manufacturing denim. The Arvind Mills, Ashima Textiles, Soma Textiles, Modern Denim, Arvee Denim started manufacturing denim. So many mills at a time fetched a new name for Ahmedabad: "Denim City of India" whereas city of Surat became Silky City of India. The State of Gujarat received over 1813 Large & Medium Textile Project proposals through LOI/LOP/IEM during August 1991 to May 2003. Out of these projects, 851 projects worth Rs. 97920 million have been commissioned. This constitutes 25% of total number of projects commissioned in the State during the same period.

Over the last 10 years, Gujarat has doubled its capacity for Spinning Cotton and Blended Yarn and there is still a room to grow both in the area of Modern Ring Spinning and/or Open End Yarn.

Gujarat is the 2nd largest decentralised powerloom concentrating State and here too, State has doubled its capacity during last 8 years. However, new opportunities are in the direction of Weaving (only with high speed looms and "shuttle-less" technology). Gujarat being the largest producer of cotton, has obtained tremendous opportunities towards higher and higher value addition product by setting up Modern Process Houses (with the technology of low polluting and less energy costs) in one hand and Knitwear/Ready-made Garments in a big way on the other to fulfil the domestic and international market. Investment opportunities may be, therefore, explored for Cotton Ring Spinning (25,000 spindles), Open End Spinning (1000 rotors), Modern Process House, Shuttle less Weaving (50 looms), Ready-made garments unit and Non-woven and Technical Textile unit with appropriate technology.

NEED AND IMPORTANCE OF THIS STUDY

The study was defined with a view to investigating the overall quality of working life (QWL) and job satisfactions and performance of the workers in textile mills in Rajkot, Surat and Ahmedabad cities. The term quality of work life refers to the favorable or unfavorable condition of a total job environment for people (Davis and Newstrom 1985). The basic purpose is to develop jobs and working conditions that are excellent for people as well as for the economic health of the organization. The elements in QWL program include-open communication, equitable reward systems a concern for employee job security and satisfying careers and participation in decision making.

QWL is intimately connected with the concept of "Industrial democracy". Quality of work life in a developing country like India has gained momentum and has now become both "ends and means". It is end in itself as it is the key of all development. It is a means as the decision making involves workers' participation and job redesign, which improves the productivity and overall performance i.e. skills, and competencies of the workers. It aims at healthier, more satisfied and more productive employees thus more adaptive, efficient and profitable organization. Quality of work life is a generic phrase that covers a person's feelings about every dimension of work, including economic rewards and benefits, security, safe and healthy working conditions, organizational and interpersonal relationships and intrinsic meaning in the person's life. To sustain and progress in such an environment skills and competencies of the employees should be multifaceted, upgraded and attuned to specific needs. Hence, the present study is an attempt to evaluate the QWL of workers in textile mills, a labor intensive industry, in all three cities. The examining of the dimensions of QWL and relationship between QWL and job-satisfaction of workers has also been undertaken in the present study.

QWL programs usually emphasize development of employee skills, the reduction of occupational stress and development of labor management relations. Several researches have been conducted in this field. Sayeed and Sinha (1981) examined the relationship between QWL, job stress and performance. The results indicate that higher QWL leads to greater job satisfaction. Rahman (1984) in his study on the industrial workers of India found that subjects having low educational background and lower income had better perception of QWL than those having higher education and higher income. Haque (1992) in his study found that QWL is positively related to performance and negatively correlated to absenteeism. But he found no relationship between perceived QWL and workers' age, education and job experience. Wadud (1996) in a study found that QWL was significantly higher among the private sector women employees than their counterparts among the private sector women employees than their counterparts in the public sector. It also showed that younger group and higher experienced groups had significantly higher perception of QWL than the older and the lower experienced groups.

OBJECTIVES

No work so far has been conducted on QWL and work related factors of textile industries at Gujarat. Thus there is a need to conduct research on QWL and job related factors in these industries. The present study was designed with a view to achieving the following objectives.

1. To determine how work related factors enhance better quality of life.
2. To assess the contribution of demographic variables.

RESEARCH METHODOLOGY

HYPOTHESIS

H0: Work related factors do not lead to better quality of work life.

H1: Work related factors leads to better quality of work life.

H0: Demographic factor does not influence the perceived level of quality of work life.

H1: Demographic factor influence the perceived level of quality of work of life.

SAMPLE

The present study was conducted on a sample of 210 workers taken from five textile manufacturing workers at Rajkot, Surat and Ahmedabad cities. The respondents were selected on stratified random sampling basis.

MEASURING INSTRUMENTS USED

An open-end questions contains 55 question was used to measure the perception of workers. Likert five point continuum was used to prepare the scale to measure the work related attitude of respondents. Personnel data were also collected to measure the demographic variables.

PRESENT STUDY

The present study attempts to measure the level of perceived Quality of work life of the workers of textile mills. Attempt is also made to find out if quality of work life has any significant relationship with job related variables and with demographic variables. The present study suffered from some limitations like small sample size and limited area of investigation which might not be true representative of the whole population of the textile industries. So, before generalization, there is a need to conduct an in-depth study covering larger sample size and broader areas of investigation.

PRESENT SCENARIO OF STUDY AREA

The study grasps the following sections that deals with the present circumstances existing at the study area to bring the complete picture under what situation the respondents are working and what condition is prevailing then in the textile industries in Rajkot, Surat and Ahmedabad.

WORK RELATED FACTORS

WORKING ENVIRONMENT

Environmental factors determine the type of supervisors behavior required as a complement if worker outcomes to be maximized. While personal characteristics of the workers determine how the environment and supervisor behavior are interpreted. It is observed that the climate of the textile industries in Rajkot, Surat and Ahmedabad is comply with statutory measures and it may suits to work comfortable for present employees.

WELFARE MEASURES

Welfare measures are likely to promote good employee health and safety which may result in greater worker efficiency and productivity. It may also boost the employee morale and loyalty. Welfare measures of textile industries shows that they are in need of some provisions like sittings, suitable restrooms, transport facilities are found to be not adequate, but the making adjustments for late attendance, weekly holidays, rest hours, canteen facilities, recreation facilities are found to be satisfied by the respondents.

SAFETY MEASURES

Safety is the freedom from the occurrence of risk, injury or loss. The management should provide proper equipments, and tools and training for using the tools. Top management in the textile industries has made provisions for the worker and some of the workers found to be unaware of it.

SUPERVISION

Supportive supervision may leads higher employee performance and satisfaction when workers are performing structured tasks. It was expected that the

supervisors would assume the role of change agent in enhancing the self image of workers and to develop them. The study area shows that supervisors' role in work done from the employees found to be critical and they very supportive and assertive to complete the task assignment.

PARTICIPATION IN DECISION MAKING

Participation in decision making, particularly workers in deciding important matters influence the workers to feel sense of workmanship and creativity. It is directly concerned with an individuals working and has an important bearing on his satisfaction. Only autocratic power of attorney is prevailed and supervisors are paying much attention to the proposal whispered by the employees

COMMUNICATION

Communication enhances the capacity to convey information. Through upward communication, employees can share their views, grievances and how to overcome these, and getting suggestions for improving work performance. Communication is held through notice board and circulars to all the employees. Informal communication is also plays a vital role in the textile industries.

COLLECTION OF DATA

Both primary and secondary data have been used for the present study. The primary data have been collected from the sample workers by personal interview and telephonic interview. The selected respondents were contacted in person and the objective of the study was clearly explained to them and their co-operation was ensured. The details regarding the age, sex, education, religion, family size, experience, salary and other aspects relating to the overall objectives of the study were collected from the sample respondents through the direct personal interview method. Secondary data relating to the number of mills in these three cities and Annual reports of textile mills were collected. The list of workers in each mill were obtained from the records of the respective mills.

ANALYSIS OF DATA

The core of study being quality of work life measure the dependent variables with the tools of statistical analysis consisted of absolute numbers of summery statistics and comparison of mean scores are made with the help of chi-square test. In addition, the dependent variables are analyzed with the help of Analysis of Variance to find out the level of significance of the difference in mean squares.

TABLE 1: DEMOGRAPHIC VARIABLES AND LEVEL OF PERCEPTION OF QWL - CHI-SQUARE TEST

Factor	Calculated Chi-square	Degrees of freedom	Table value	Remarks
Age	14.727	4.00	13.277	1% level significance
Educational status	26.731	6.00	16.812	1% level of significance
Experience	7.910	4.00	9.488	Not significance
Income	24.520	4.00	13.277	1% level of significance
Family size	5.197	4.00	9.488	Not significant
Wealth position	7.533	4.00	9.488	Not significant

Table No 2: WORK RELATED FACTORS –TEST OF ANOVA WORKING ENVIRONMENT AND PERCEPTION OF QWL

Sources of variance	Sum of squares	DOF	Mean Square	F- Value	Table Value	Remarks
Between Groups	64.450	2	32.225	7.42	3.00	Significant
Within Groups	899.07	207	4.34			
Total	963.524	209				

TABLE NO. 3: WELFARE MEASURES AND PERCEPTION OF QWL

Sources of variance	Sum of squares	DOF	Mean Square	F- Value	Table Value	Remarks
Between Groups	194.815	2	97.408	26.23	3.00	Significant
Within Groups	768.708	207	3.714			
Total	963.524	209				

TABLE NO 4: SAFETY MEASURES AND PERCEPTION OF QWL

Sources of variance	Sum of squares	DOF	Mean Square	F- Value	Table Value	Remarks
Between Groups	335.72	2	167.86	55.347	3.00	Significant
Within Groups	627.804	207	3.033			
Total	963.524	209				

TABLE NO 5: SUPERVISION AND PERCEPTION OF QWL

Sources of variance	Sum of squares	DOF	Mean Square	F- Value	Table Value	Remarks
Between Groups	132.657	2	66.328	16.525	3.00	Significant
Within Groups	830.867	207	4.014			
Total	963.524	209				

Table No 6: PARTICIPATION IN DECISION MAKING AND PERCEPTION OF QWL

Sources of variance	Sum of squares	DOF	Mean Square	F- Value	Table Value	Remarks
Between Groups	87.211	2	43.606	9.207	3.00	Significant
Within Groups	980.412	207	4.736			
Total	1067	209				

TABLE NO 7: INTER COMMUNICATION AND PERCEPTION OF QWL

Sources of variance	Sum of squares	DOF	Mean Square	F- Value	Table Value	Remarks
Between Groups	114.718	2	57.359	18.97	3.00	Significant
Within Groups	625.896	207	3.024			
Total	963.524	209				

ANALYSIS

RESULTS

It is noted from the Table 1 the demographic factors of Age, Education and Income of the calculated chi-square value is less than the table value at 1% level of significance. This infers that the age of the respondents, education and income and the level of perception on QWL are associated "holds good". The results further shows that Demographic factors of Experience, Family size and Wealth position of the calculated chi-square value is more than the table value at 1% level of significance. This shows that there is no close relationship between the variables of experience, family size and wealth position and the level of

perception on QWL from the table no 2,3,4,5,6,7 shows that the workers of the manufacturing industries have significant relationship with the work related factors of working environment, welfare measures, safety measures, supervision measures, participation in decision making and intercommunication.

It is known that the factors influencing the working conditions and welfare measures such as work place does affect the quality of work life in these industries. The implications of these findings is that the supervisor who creates condition under which his workers can satisfy important needs and allowing them to participate in decision making is likely to motivate his workers successfully to better work performance. However, sometimes informally it is observed that the feedback about decision making particularly in implementing interventions (specifically-techno structural intervention) found to be dissatisfied. Even though the management provide good quality of work life, the workers does not have any scope for job confirmation. 20 % of the workers have highest experience of 8 years service and there is no job gradation.

DISCUSSION

The present study attempted to assess whether the workers in textile industries perceived quality of work life. Attempt was also made to find out if quality of work life had any relationship with work related factors and with demographic factors. It appears from the results that textile workers perceive significantly according to the demographic factors of age, income, and education. This finding supports the earlier findings by Haque (1992), Hossain (1999), Rahman (1984), Hoque and Rahman (1999) but against the factors of experience, wealth and family size. Hoque and Rahman found that demographic factors of (age, education, experience and income) private sector worker perceived significantly higher QWL than their counter parts in the public sector. Wadud (1996) and Modway (1981) also expressed the same.

QWL was found to have significant relationship with work related factors. This result is consistent with the findings of Haque (1992), Hossain (1999) and Sayeed Sinha (1981).

CONCLUSION

It is observed that quality of work is not equals to that of quality of life. The study suggests the management to take the necessary steps to arrest the drift of deteriorating quality of work life in certain human factors like experience, wealth position, family size which are the basic factors to express the workers desire. Insecurity of job leads to discouragement, anxiety and even bitterness for negative perception of quality of work life. Providing sittings, suitable restrooms, transport facilities to all the employees may encourage them to work continuously in the same industry. Allowing employees to participate in decision making make them to work enthusiastically and give recognition to them in their work. Providing training in using safety measures may build loyalty in their work. If the management provides permanent job, will definitely leads to good quality of work life.

SCOPE FOR FURTHER RESEARCH

Quality of work life is a multi dimensional aspect. Still less work been done on workers for the following needs:

- The Principal of security
- The Principal of equality
- The Principle of individualism
- The Principle of Democracy

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CLUSTER ENTREPRENEURSHIP: A CASE STUDY OF HARYANA

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ABSTRACT

Entrepreneurship is an important aspect of the business and industrial growth of a modern nation. The spirit of Entrepreneurship is marked by enthusiasm, persistence and ability to seek opportunities. It is the core of all commercial and industrial activities. It is a phenomenon which reflects the socio-economic conditions of a society at a particular point of time. The socio-economic factors such as the economic background of the members, their caste system, cultural background, business ethics, inter-alia, influence, entrepreneurial behavior in a society. Entrepreneurship by character is a Dynamic function which allows itself to evolve in a very perceptive manner as the social processes are adapted to the conditions of needs. Through this study policy planners will be helped in devising suitable measures for creating environment for motivating the artisanal/traditional based society and then these clusters will be transformed into innovation clusters.

KEYWORDS

Cluster Entrepreneurship, Social economic System, Business Ethics.

INTRODUCTION

Entrepreneurship is an important aspect of the business and industrial growth of a modern nation. The spirit of Entrepreneurship is marked by enthusiasm, persistence and ability to seek opportunities. It is the core of all commercial and industrial activities. It is a phenomenon which reflects the socio-economic conditions of a society at a particular point of time.

The socio-economic factor such as the economic background of the members, their caste system, cultural background, business ethics, inter-alia, influence, entrepreneurial behavior in a society. Entrepreneurship by character is a Dynamic function which allows itself to evolve in a very perceptive manner as the social processes are adapted to the conditions of needs. Such needs aroused through entrepreneurial efforts thus help in enhancing the economic conditions of the population of the country. In the globalization process factors such as flexibility, speed and innovation contributed entrepreneurship to emerge as a key player in driving economic development. It constitutes an important input in the process of economic development. Economic growth draws its vital nourishment from a stream of fresh ideas, inventions and innovations. Without Entrepreneurial functions perceptions of the opportunity based on an invention, promotion and in general the modern development would have been inconceivable.

Entrepreneurship¹ has led balanced regional development. It is an instrument of change. It is a (new business formation) as a Key element within the development and revitalization process of lagging areas. This very element transforms technological possibility into technological facts. For healthy development in agriculture, industry or any other sphere of an economy there must be men/women who possess drive, ambition, foresight and imagination to break through. Traditional barriers overcome social *interalia* and transforms theory into practice. If the many shortages which impede the progress of developing countries one of the most serious limiting factors on their economic development is the acute shortage of Entrepreneurs. Economic development is the last analysis, the outcome of human decisions and activity. As the center of the process stands man as organizer of the community's resources as worker and as user of the goods produced.

The role of Entrepreneurship was recognized in India much earlier than other countries. Indian Entrepreneurship in the pre-independence period was concentrated around the port of Calcutta and Bombay and it was after independence in 1947, a general protectionist system was introduced. Entrepreneurship in India in the 1950's and 1960's were directly linked to the artisanal based which was deep rooted. In developing countries like India traditional form of Entrepreneurship is artisanal oriented. In Indian society there is relative contribution of Artisans and Merchants. Traditional form of Entrepreneurship can be witnessed with an example of the Moradabad (U.P.) Brass ware cluster, Moradabad Town is about 160 km from New Delhi and about 340km from lucknow, It has a population of about .45 million. There is also a floating population of about 50000, who move on daily basis from other towns and villages for work. The city is highly congested. Not even the casual visitor can miss noticing its Brassware. Essentially a household industry, as much 85 percent of the people are engaged in carry on their trade from their homes. It provides direct employment to over 1 lakh workers and indirect employment to another 50000. The industry developed and has grown out of the Mughal Karkhan that survived the long years of British rule. This is an Artisan Driven Industry. Where Craftsman have inherited craft skills from their earlier generation. The Industry derives great advantage from being clustered tighter. Craft skills are generated and passed on by workers staying together. Its clustered location means that the price for various goods/ activities can move only in a limited range. Since they are publicly known. However with the transformation and advancement in knowledge and technology this sector could be transformed into industrial centers for faster economic development. It has been increasingly realized that the yawning chasm between the developed and less developed region need not necessarily be immiable.

UNIDO has indentified 300 industrial cluster and is in the process of developing 200 more. UNIDO has indentified sectoral geographical cluster. For example in Leather (Ajmer), Drugs and pharmaceuticals (Ahemedabad) Machine Tools (Banglore), Hand printing and Dying (Sanganar and Bagru), Food processing (Pune). Cotton Weaving (Triupar) and woolen Knitwear (Ludhiana). The S.P. Gupta committee special group of generating employment indentified 4 clusters – The Toy industry (Delhi & Mumbai). The store industry (Rajasthan & Andhra Pardesh) The Lock Industry (Aligarh). The 2002-07 exim policy recognized 3 major industrial cluster and towns of export excellence in Tripura, Panipat and Ludhiana and proposed to extend this identification to 10 clusters. There are artisan based cluster which are more evenly distributed spatially. Policies intervention and development program have tendered to be adhoc, rather than taking a holistic view of what is necessary. For instance if Infrastructure is not developed and development of skills remains a question mark. It is doubtful that marketing interventions alone will suffice.

REVIEW OF LITERATURE

Over the last decade, clusters have been widely recognized as one of the ways of overcoming the size limitation of organization and an important instrument for improving their productivity, innovativeness and overall competitiveness. Despite the fact that numerous studies have been conducted in various countries, a common understanding of the cluster concept has yet to be achieved. It may be argued that most of the empirical work on the cluster Entrepreneurship has given extreme importance to the concept of Entrepreneurship and then its impact on cluster. So review of literature on Entrepreneurship includes cluster Entrepreneurship also.

Schumpeter views Entrepreneurship as an aristocrat character, part of a Schumpeter (1961) is arguably the most influential economics of Entrepreneurship. He stressed the view that the individual Entrepreneur embodies the innovation function in society and the stands out as leader. Schumpeter rather emphasized the non- utilization qualities of Entrepreneurship and speculated about the unique psychological make-up creative elite in capitalist society that is driven by dream of founding a "Private Kingdom", an intrusive desire to success for the sake of success itself, who feels the joy of creating and delight in reline" (1961: 93-94). He stressed that practical side of Entrepreneurship, arguing that Entrepreneurship are the individuals that get things done in society. (Schumpeter 1975).

Talking about Entrepreneurship, Porter (1998) widely considered to be one of the most prominent authorities in the field, According to his view clustering can encourage an enhanced division of labour among firms with physical proximity among numerous competitive producers, thereby encouraging innovation. He further underlines that Government should not create clusters artificially, when there are preconditions for that, but should reinforce and build already established and emerging cluster. He emphasized on internal strength, promotion of social capital as an important factor of cluster development, Encouraging trust based relationship to increase the flow of knowledge between local players rather than intervening.

OBJECTIVES OF THE STUDY

In this proposed study an attempt is made to analyze the phenomenon of cluster entrepreneurship in the state of Haryana particularly in the Handloom sector. So as to see whether Economic development has imparted such traditional Entrepreneurial class .It will further attempt to see how for modernity and innovation has reached this sector. This study will rein fold the general motivational level and state support system as an instrument for change.

Towards the end, the study will focus inter-alia, the following aspects of cluster entrepreneurship therefore, the objectives of this study are:

- 1) To analyze the commonly concept of entrepreneurship which leads to social capital formation.
- 2) To examine the perception of the skill (Knowledge) oriented clusters and impact of innovation on clusters.
- 3) To analyze the growth trend of entrepreneurship particularly related to the formation of clusters.
- 4) To probe into the degree of inclination towards grabbing of available state sponsored affirmative action's vis-à-vis the internal motivation for self-employment according to one's own choice.
- 5) To analyze the general motivational level for seeking one's own volition, particularly in the light of existing support system.
- 6) To evaluate the impact of clusters on entrepreneurship at the regional level.

HYPOTHESIS

In the proposed study, an attempt will be made to test the following hypothesis:

1. Commonly concept of Entrepreneurship which leads to Social-Capital formation.
2. Cluster is a source of motivation to Artisanal/Traditional community.
3. External financial support is a prerequisite phenomenon for cluster orientation of environment.
4. Innovation contributed cluster Entrepreneurship as a key player in driving economic development.
5. Granting marketing strengthening and supporting Entrepreneurial activities.

METHODOLOGY

The present study is an empirical work based on primary data and secondary data collected through direct personal investigation. Therefore to collect primary data survey method will be adopted. The collection of data will be based on random sampling from the universe. Since the required data are group centric stratified sampling method will be followed wherever possible. The size of the sampling will be at least in the sense of making the selected data representative. A structured questionnaire is developed so as to incorporate all that has been placed under objective of this study appropriate statistical tools for inter-comparative study is adopted so as to strength the data interpretation

SCOPE OF THE STUDY

The present study is aimed at devising the emergence of cluster entrepreneurship. It will make a pioneer attempt to identify artisanal based entrepreneurship in the society. It is firmly believed that widespread economic development could be achieved with the involvement of people who have the access to gain sustainable and gainful employment through forming proximate group of interconnected firms called clusters. It is therefore in the interest of the state that this section of the society who are involved in traditional, artisanal based entrepreneurship must be attached to assimilate themselves in the process of economic indulgence as participants in the production process Towards this end, this study will be based on an empirically established doctrine as per the objective are outlined. Direct personal investigation survey method is adopted to collect information through a structured questionnaire to be developed for the purpose. It will be confined to the State of Haryana and particularly city of Handloom Panipat, The Survey of which will determine the outcome of this research. The proposed State to be considered for collection of primary data is Haryana. The preference for this state is primarily due to the nature of entrepreneurial indulgence coining with the onset of the given revolution, Haryana came into being as a separate entity and started off with an immense advantage over most other states of India in terms of per capita income and a fairly sound agricultural economy. Expectedly it has grown faster than most other states of the union. Haryana has all along been among the top three states in terms of per capita real Net state domestic product (NSDP). Panipat city is known for Handloom at the National as well as international level. Panipat city is an export hub for cotton duries, Mats, carpets, Floor covering etc. The city has more than 100 reputed exporters for textile and handloom goods. It presents a host to Artisanal/Traditional cluster. The Study would be of great help in terms of identifying the deficiency if any in the mechanism of support thereby devising the rectification measures for strengthen the support system for the entrepreneurial growth of the artisanal/traditional based society. The heterogeneity of the source of data should be considered the strength of the proposed research as it has high ^{probability} of making study a representative one and in term of outcome it will have high level of reliability.

RESULTS AND DISCUSSION

PANIPAT TEXTILE CLUSTER

Panipat also known as city of handloom in North region of India is situated in the states of Haryana on Shershah Suri Marh (Now Known as G.T. road NH1) 90 Km from Delhi. The textile history of Panipat startled after the position of India and Pakistan, when the weaver's community that was displaced from Hyderabad, a state in Pakistan, was facilitated to settle in Panipat by the Govt. of Punjab, on the directions of Mahatma Gandhi Panipat is today would famous for UPS beautiful and jubilant handloom made UPS blanket. The Panipat textile cluster comprises of 8 segments i.e. handloom, power loom, carpet, woolen and shoddy yarn spinning cotton yarn spinning, and woolen blanket cotton. All of those together make a bug of around RS. 4000 Crore and provided employment to 2 Lacs people. More than 50,000 handlooms (Pit looms & frame looms) are working in Panipat under the ownership of about 4200 different units. Most of these items produced on these looms are meant for Export The total Export this industry is estimated to be more than 1200- Crores. Power looms industry is also one of the main textile industries in Panipat catering to the needs of export as well as domestic Markets. It has maximum share in total turnover of Panipat textile Business there are about 1500 units having 25,000 ordinary Power looms with / without Jacquard attachments.

Share of Panipat Handloom export in the Haryana's Handloom Export brings out that export of handloom product from Haryana increased from Rs. 290.1 Crore in 1992-92 to Rs. 1247.49 Crores in 2007-08 to Rs. 947.72 Crores in 2008-09. The export of handlooms product from Haryana increased from 345-2 Crores in 1992-93 to 1340.32 Crores in 2006-07 and decreased from Rs. 1116.72 Crores in 2007-08 to Rs. 1005.25 Crores in 2008-09

There is massive drop in the export of handloom products in 2006-7 over 2007-2008 and 2008-2009 However it has to be kept in mind that the performance of the overall export sector of the Panipat and Haryana during the same period was not bright Period from 2007- to 2009 represents a decline in the export from Panipat as well as Haryana.

On the other hand share of Panipat's handloom export in Haryana's handloom export is rising continuously. The share of Panipat Handloom export in Haryana handloom export was 84-04% in 1992-1993 and it grew to 94.28% in 2008-2009 . It is clear from date of handloom export that share of Panipat in Haryana Handloom export in constantly rising.

TABLE 1: SHARE OF HARYANA HANDLOOM EXPORT

Year	Exports from Haryana	Annual % age Charge	Export from Panipat	Annual %age change	Share %
1995-1996	401.05	0.29	348.17	2.32	86.81
1996-1997	466.21	16.25	410.38	17.87	88.02
1997-1998	484.33	3.89	430.56	4.92	88.9
1998-1999	669.12	38.15	600.47	39.46	89.94
1999-2000	756.81	13.11	679.42	13.15	89.77
2002-2003	1058.44	25.70	970.18	26.11	91.66
2003-2004	1080.2	2.06	992.66	2.32	91.9
2004-2005	1127.16	14.31	1198.54	14.61	93.02
2005-2006	1288.45	14.31	1198.54	14.61	93.02
2006-2007	1340.32	4.03	1247.49	4.08	93.07
2007-2008	1116.72	16.68	1047.48	16.03	93.8
2008-2009	1005.25	9.98	947.72	9.52	94.28

Source: Directorate of Industries.

Export of Carpets and Floor Covering Products from Panipat The carpet industry is a traditional industry in Panipat. Table 4.3 represents the export of carpet and floor covering from Panipat. Export of carpet and floor covering products increased from Rs. 70.21 crores in 1994-95 to Rs. 235.35 crores in 2006-07 and decreased from 185.5 crores in 2007-2008 to Rs. 156.32 crores in 2008-2009. Export of carpet and floor covering products suddenly fell during 2007 - 2009 due to recession in world economy. The annual percentage change was positive during 1995-96 - 2006-07 i.e 10.40 in 1995-96 and 12.30 in 2006-2007 and it became negative during 2007-09 i.e. -21.18 in 2007-08 and -15.73 in 2008-09. Average Growth Rate during 1994-95 to 2006-07 was 10.61 and during 2007-08 to 2008-09 was -18.46.

FIGURE 1

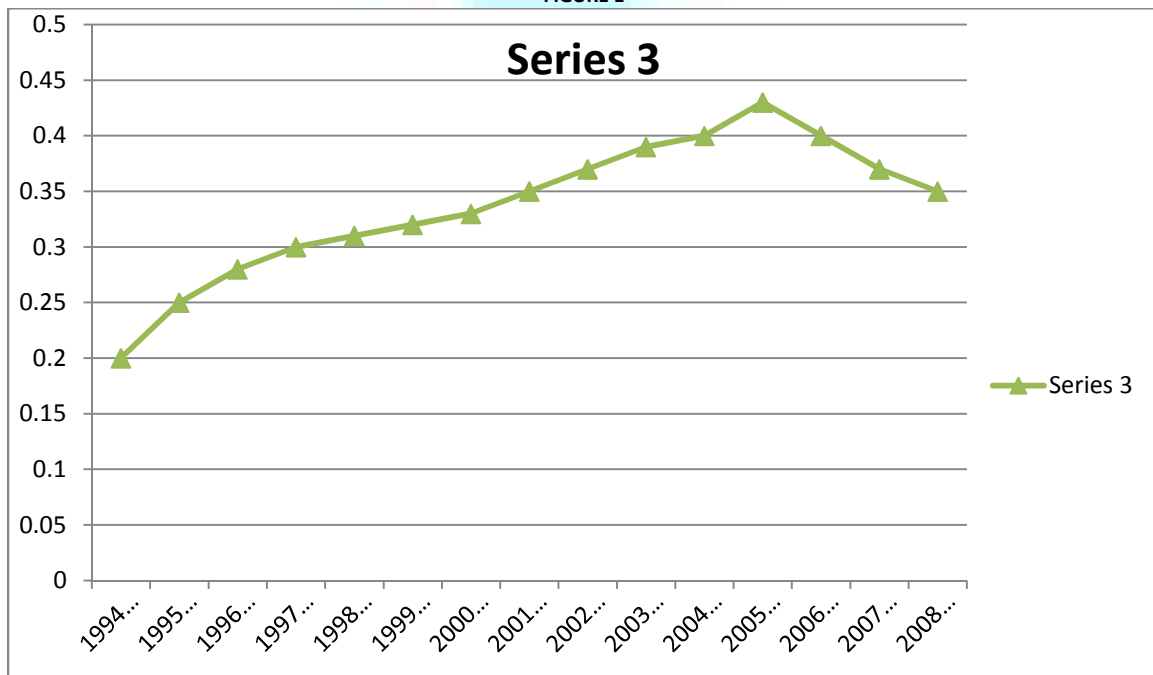


TABLE 2: SHARE OF HARYANA'S BED LINEN PRODUCT IN INDIA'EXPORT Exports in crore (Rs.)

Year	Bed Linen	Annual % Change
1994-95	77.91	
1995-96	83.37	7.01
1996-97	90.17	8.16
1997-98	98.32	9.04
1998-99	107.31	9.14
1999-2000	117.32	9.33
2000-2001	129.99	10.8
2001-2002	142.9	9.93
2002-2003	159.91	11.62
2003-2004	177.32	11.17
2004-2005	199.41	12.46
2005-2006	219.53	10.09
2006-2007	243.9	11.1
AGR		9.99
2007-2008	193.41	-20.7
2008-2009	161.14	-16.68
AGR		-18.69

Source: District Industrial Centre, Panipat.

CONCLUSION/IMPLICATION OF THE STUDY

The result of the study will guide the policy planners in devising suitable measures for creating environment for motivating the artisanal/traditional based society so that their participation as contributors in the economic development process can be further enhanced. It will open up new dimensions of research on the subjects. Through this study the general lack of technological dynamism hailed to transform Industrial/Artisanal clusters into 'innovation' cluster, has often been rooted in regional constraints, including that of basic infrastructure.

It will help in strengthening support system. Finally results encourage us to increase knowledge about Entrepreneurial paths followed by Indian individuals.

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A STUDY ON THE AWARENESS ABOUT CORPORATE SOCIAL RESPONSIBILITY AND ENVIRONMENT AMONG MBA STUDENTS IN ARTS AND SCIENCE COLLEGES IN TRICHY

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ABSTRACT

Social responsibility of business means the obligation of business enterprise to make decisions and follow lines of action which are desirable in terms of the objectives and values of society. Decisions may affect environment, consumers and the community. There have been changes in attitudes of management in taking social responsibility. The social responsibility of business involves ethics which must be reflected in the philosophy of business organization. Society and business organizations are tightly interwoven since society's needs are catered to fully by the business enterprises. As global population increases, so does the pressure on limited natural resources required to meet rising consumer demand. Industrialization in many developing countries is booming as a result of technology and globalization. Consumers are becoming more aware of the environmental and social implications of their day-to-day decisions and are beginning to make purchasing decisions based on environmental and ethical concerns. However, this practice is far from consistent or universal. As corporations pursue growth through globalization, they have encountered new challenges that impose limits to their profits, adhering to government regulations, tariffs, environmental restrictions etc.

KEYWORDS

corporate social responsibility, environment, mba students, attitudes, technology.

INTRODUCTION

 Social responsibility of business means the obligation of business enterprise to make decisions and follow lines of action which are desirable in terms of the objectives and values of society. Decisions may affect environment, consumers and the community. There have been changes in attitudes of management in taking social responsibility. The social responsibility of business involves ethics which must be reflected in the philosophy of business organization. Society and business organizations are tightly interwoven since society's needs are catered to fully by the business enterprises. It is the responsibility of business units to fulfill all requirements of the society. Business serves the society in different ways such as education, health, abatement of pollution, afforestation, reduction of environmental pollution, supply of quality goods and services and community development. Not only does business have responsibility towards the society, but the society also owes something to business. First and foremost awareness needs to be created before fixing the responsibility of the corporates. So assessing students knowledge about corporates responsibility towards the society is inevitable.

REVIEW OF LITERATURE

The idea for study was drawn from the following literature:

Tiwari Commission Report (1980). India accepted the need to cultivate sound and well organized interest in environment and incorporate environmental education at all levels.

Baddesha and Rao (1986) from their study found that the industrial effluents containing heavy metals are usually discharged into sewage canals of cities polluted the water bodies and soil.

Davidson (1992) cites that conversion of forests for cattle ranching as well as the cultivation of cash crops are responsible for 50 percent of the deforestation in the tropics.

The World Bank's (1992) World Development Report cites deforestation, land degradation, water shortage and contamination, air pollution and the loss of biodiversity as some of the many environmental problems faced today both in developed and developing countries.

Perkins and Thomas (1993) argues that in certain areas excessive grazing by domestic livestock has led a complete removal of grass cover which in turn has led to soil erosion by both wind and rain.

Schneider (1994) cited that environmental education could be achieved by working with local communities and their institution.

Ahmed (1994) evaluated a newer concern in environmental education monitoring and evaluation of the activities that are essential as feedback of information of decision makers to the public.

Jeevan Rao et al (1999) revealed that the huge amount of solid waste generation has posed serious threat to the eco-friendly atmosphere in urban areas. In India, three lakh tones of solid waste is generated daily from major urban areas.

Wesley (2004) stated in his study that increasing sewage discharge, dumping industrial wastes, effluents and agricultural run off have increased their level of depletion.

Singh and Aggarwal (2005) found from their study that higher level of metal accumulation affected the vegetation and reproductive growth.

SIGNIFICANCE OF THE STUDY

The MBA students may become part of business concerns, so their level of understanding the concept of CSR is important. The ethical values learnt by the students are useful because the society needs conscious and morally upright managers.

OBJECTIVES

- 1) To compare the level of awareness about CSR between male and female students pursuing MBA degree
- 2) To know the level of understanding among the students about CSR.
- 3) To study the awareness of corporates ethical values among the MBA students of Arts and Science Colleges

METHODOLOGY

This is an exploratory study. Random sampling method is followed for selecting the sample size of 100 respondents. The primary data was collected by issuing questionnaire, SPSS package was used for analysis. The study relates to a period of three months i.e., from October to December 2008.

RESEARCH DISCUSSION

The quality of the results depends on reliability of the data. Reliability of the data is obtained by scientific method. Discriminant function is used to discriminate between two groups of MBA students male and female, with regard to CSR. The purpose of this analysis is to discriminate the awareness of one group with another group so that the differences, if any, may be determined statistically. For this, the following independent variables are chosen as shown in table no. 1.

TABLE NO. 1: AWARENESS VARIABLE IN CSR

S. No.	Variable	Description
1.	X ₁	Not maximizing profit
2.	X ₂	Protecting the interest of the consumers
3.	X ₃	Not to pollute the environment
4.	X ₄	Providing welfare measures
5.	X ₅	Conservation of natural resources
6.	X ₆	Supplying quality products
7.	X ₇	Abiding by the laws

The primary data pertaining to the variables are compiled from the questionnaire. The standard discriminant function of the awareness of the CSR variable is $D = -.537X_1 + .419X_2 - .324X_3 - .075X_4 + .077X_5 + .034X_6 + .478X_7$ and the function at group means is given in table no.2

TABLE NO. 2: FUNCTION AT GROUP MEANS

Category	Group means	Group means in percentage by eliminating negative value
Male	-.224 (=0)	0.00%
Female	.285 (=0.61)	6.10%

From the study, it seems that the female (MBA) students have a positive attitude towards awareness of the CSR when compared to the male students. Protecting the interest of the consumers and abiding by the laws have made significant contributions to discriminant between the groups of the MBA students regarding CSR.

As MBA students may take up entrepreneurship there is a need to acquire knowledge about CSR. For this reason, the following points were taken for discussion:

- Business cannot survive, if they do not act in a socially responsible manner
- Any business corporate should protect consumers interest
- Social responsibility is an obligation to protect environment
- Quality standard should be maintained in production
- Owners expect a fair rate of return
- All business should adopt anti-pollutional measures
- Stakeholders complaints must be handled with care
- Social welfare measures must be provided

The respondents have been asked to express their opinion on a five point Likert's scale. One way ANOVA is used and the results are given in table no.3 for testing the hypothesis;

H₀: There is no significant difference among the opinions of the MBA students on the factors of corporate social responsibility.

TABLE NO. 3: ANOVA

Source of variation	Degrees of freedom	Sum of squares	Mean sum of squares	F ratio	Significance 'p' value
Between groups	7	28.042	4.006	5.025	.000*
Error	792	631.447	.797		
Total	799	659.489			

* Significance at the 5% level

The 'p' value of the ANOVA table no.3 is less than 5%. It seems that the opinion about CSR factors among the MBA students is significant. Therefore to identify the highly significant CSR factors among the MBA students, one can compare the mean scores of opinions by using the multiple comparisons test. The CSR factors mean scores of opinions are arranged in the descending order which is given in table no.4

TABLE NO. 4: CSR FACTORS MEAN SCORES OF OPINIONS

CSR factors	Mean scores of opinions
Quality standard should be maintained in production	4.3600*
Any business corporate should protect consumers interest	4.3300*
Social welfare measures must be provided	4.0909
Social responsibility is an obligation to protect the environment	4.0800
Stake holders complaints must be handled with care	4.0693
Business cannot survive, if they do not act in a socially responsible manner	3.9200
Owners expect a fair rate of return	3.8000
All business should adopt anti-pollutional measures	3.8000

*The mean difference is significant at the .05 level

Quality standard in production and protecting consumers interest are the significant factors relating to other CSR factors. Hence supplying quality products and protecting the interest of consumers ought to be the most important concern of the corporates.

In order to study the important contributory factors for the corporates, the students were asked to give their opinions on the following;

- Not maximizing profit
- Protecting the interest of consumers
- Not to pollute the environment
- Providing welfare measures
- Conservation of natural resources
- Supplying quality products
- Abiding by the laws

One way ANOVA is used and the results are given in table no.4 for testing the hypothesis;

H₀: There is no significant difference among the opinions of the MBA students regarding the important factors for the corporates.

TABLE NO. 5: ANOVA

Source of variation	Degrees of freedom	Sum of squares	Mean sum of squares	F ratio	Significance 'p' value
Between groups	6	229.760	32.293	49.904	.000*
Error	693	531.760	.767		
Total	699	761.520			

* significance at the 5% level

The 'p' value of the ANOVA table no.5 is less than .05. The null hypothesis is rejected. It seems that the opinion of the corporate factors among the MBA students is significant. Therefore to identify the highly significant corporate factors one can arrange the opinions mean scores in the descending order of magnitude which is given in table no. 6.

TABLE NO. 6: CORPORATE FACTORS MEAN SCORES OF OPINIONS

Corporate factors	Mean scores of opinions
Supplying quality products	4.5361*
Protecting the interest of the consumers	4.5100*
Abiding by the laws	4.3900*
Not to pollute the environment	4.3301
Providing welfare measures	4.0400
Conservation of natural resources	4.0000
Not maximizing profit	2.7600

* The mean difference is significant at the .05 level

Supplying quality products is highly significant for the corporate followed by protecting the interest of consumers and abiding by the laws are significant factors compared to avoiding environmental pollution, providing welfare measures, conservation of natural resources and not maximizing profit.

Students opinion about ethical values for the corporates are studied by considering the following ethical factors

- Avoiding false advertisement
- No tax evasion
- Not supplying low quality products
- Complying with rules and regulations of the government
- Preservation of scarce resources
- Avoiding deceptive weight measures

One way ANOVA is used and the results are given in table no.7.

The hypothesis H_0 : There is no significant difference among the MBA students awareness on the ethical values of corporates.

TABLE NO. 7: ANOVA RESULTS ON CORPORATES ETHICAL VALUES

Source of variation	Degrees of freedom	Sum of squares	Mean sum of squares	F ratio	Significance 'p' value
Between groups	5	106.277	21.255	15.422	.000*
Error	594	818.682	1.378		
Total	599	924.958			

* significance at the 5% level

The 'p' value of the ANOVA table no.7 is less than .05. It seems that the opinion the students regarding the ethical values of the corporates is quite significant. The corporates ethical values of the mean opinions scores are given in the table no.8

TABLE NO. 8: CORPORATES ETHICAL VALUE SCORES OF OPINIONS

Corporates ethical values factor	Mean scores of opinions
Avoiding false advertisement	4.0700*
Preservation of scarce resources	4.0396*
Complying with rules and regulations of the government	3.9200*
Avoiding deceptive weight measures	3.5859
No tax evasion	3.4700
Not supplying low quality products	2.8600

* The mean difference is significant at the .05 level

The highly significant ethical values are avoiding false advertisement followed by preservation of scarce resources and complying with the rules and regulations of the government. The respondents feel it is unethical to supply low quality products.

FINDINGS

The female students have a positive attitude towards CSR than the male students. Generally profit maximization is one of the important concerns of the corporate and this study reveals that it should be given the least preference. The corporates need to consciously adhere to the rules and regulations of the government, as it is their duty and responsibility. The respondents feel that supplying quality products and protecting the interest of consumers are important factors for the corporates. The students felt that the corporates should avoid false advertisement.

CONCLUSION

As global population increases, so does the pressure on limited natural resources required to meet rising consumer demand. Industrialization in many developing countries is booming as a result of technology and globalization. Consumers are becoming more aware of the environmental and social implications of their day-to-day decisions and are beginning to make purchasing decisions based on environmental and ethical concerns. However, this practice is far from consistent or universal. As corporations pursue growth through globalization, they have encountered new challenges that impose limits to their profits, adhering to government regulations, tariffs, environmental restrictions etc., From the study it is clear that corporates can be successful only if, they produce quality products and protect the interest of consumers, which stands to be the most important concern. Corporates have to make conscious efforts to become socially responsible, recognizing that the role and functions they perform inevitably have an impact on the society.

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IMPACT OF GLOBALISATION IN INDIA: SOME ISSUES

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ABSTRACT

Indian economy had experienced major policy changes in early 1990s. The new economic reform, popularly known as, Liberalization, Privatization and Globalization (LPG model) aimed at making the Indian economy as fastest growing economy and globally competitive. The series of reforms undertaken with respect to industrial sector, trade as well as financial sector aimed at making the economy more efficient. With the onset of reforms to liberalize the Indian economy in July of 1991, a new chapter has dawned for India and her billion plus population. This period of economic transition has had a tremendous impact on the overall economic development of almost all major sectors of the economy, and its effects over the last decade can hardly be overlooked. Besides, it also marks the advent of the real integration of the Indian economy into the global economy. This era of reforms has also ushered in a remarkable change in the Indian mindset, as it deviates from the traditional values held since Independence in 1947, such as self reliance and socialistic policies of economic development, which mainly due to the inward looking restrictive form of governance, resulted in the isolation, overall backwardness and inefficiency of the economy, amongst a host of other problems. This, despite the fact that India has always had the potential to be on the fast track to prosperity. Now that India is in the process of restructuring her economy, with aspirations of elevating herself from her present desolate position in the world, the need to speed up her economic development is even more imperative. And having witnessed the positive role that Foreign Direct Investment (FDI) has played in the rapid economic growth of most of the Southeast Asian countries and most notably China, India has embarked on an ambitious plan to emulate the successes of her neighbors to the east and is trying to sell herself as a safe and profitable destination for FDI.

KEYWORDS

World Bank, Financial Markets, Indian economy, International Organizations.

INTRODUCTION

For the purpose of the argument in this paper, as well as understanding some of the responses to globalization, it is important to define what mean by globalization. This is all the more crucial because even if we leave out the unambiguous supporters of globalization in its present form- those who hold that it is purely beneficial, and the benefits will 'trickle down' automatically to the poor- there are still widely differing conceptions of this process. Those who either oppose globalization, or are anxious about its potentially detrimental effects on employment and poverty, encompass a wide political spectrum. The extreme right oppose it from the standpoint of economic and cultural nationalism, and liberals might deplore the loss of national sovereignty because it reduces the effectiveness of state intervention to regulate capital and labour, alleviate poverty and so forth.

Globalization is the process of integrating various economies of the world without creating any hindrances in the free flow of goods and services, technology, capital and even labour or human capital. The term globalization has, therefore, four parameters:

1. Reduction of trade barriers to permit free flow of goods and services among nation-states;
2. Creation of environment in which free flow of capital can take place among nation-stated;
3. Creation of environment, permitting free flow of technology; and
4. Last, but not the least, from the point of view of developing countries, creation of environment in which free movement of labour can take place in different countries of the world.

DEFINITION

Globalised World - What does it mean?

Does it mean the fast movement of people which results in greater interaction?

Does it mean that because of IT revolution people can be in touch with each other in any part of the world?

Does it mean trade and economy of each country is open in Non-Intrusive way so that all varieties are available to consumer of his choice?

Does it mean that mankind has achieved emancipation to a level of where we can say it means a social, economic and political globalisation?

Though the precise definition of globalisation is still unavailable a few definitions worth viewing, Stephen Gill: defines globalisation as the reduction of transaction cost of transborder movements of capital and goods thus of factors of production and goods. Guy Brainbant: says that the process of globalisation not only includes opening up of world trade, development of advanced means of communication, internationalisation of financial markets, growing importance of MNC's, population migrations and more generally increased mobility of persons, goods, capital, data and ideas but also infections, diseases and pollution

IMPACT ON INDIA

India opened up the economy in the early nineties following a major crisis that led by a foreign exchange crunch that dragged the economy close to defaulting on loans. The response was a slew of Domestic and external sector policy measures partly prompted by the immediate needs and partly by the demand of the multilateral organisations. The new policy regime radically pushed forward in favour of amore open and market oriented economy.

Major measures initiated as a part of the liberalisation and globalisation strategy in the early nineties included scrapping of the industrial licensing regime, reduction in the number of areas reserved for the public sector, amendment of the monopolies and the restrictive trade practices act, start of the privatisation programme, reduction in tariff rates and change over to market determined exchange rates.

Over the years there has been a steady liberalisation of the current account transactions, more and more sectors opened up for foreign direct investments and portfolio investments facilitating entry of foreign investors in telecom, roads, ports, airports, insurance and other major sectors.

The Indian tariff rates reduced sharply over the decade from a weighted average of 72.5% in 1991-92 to 24.6 in 1996-97. Though tariff rates went up slowly in the late nineties it touched 35.1% in 2001-02. India is committed to reduced tariff rates. Peak tariff rates are to be reduced to the minimum with a peak rate of 20%, in another 2 years most non-tariff barriers have been dismantled by march 2002, including almost all quantitative restrictions.

India is Global: The liberalisation of the domestic economy and the increasing integration of India with the global economy have helped step up GDP growth rates, which picked up from 5.6% in 1990-91 to a peak level of 77.8% in 1996-97. Growth rates have slowed down since the country has still bee able to achieve 5-6% growth rate in three of the last six years. Though growth rates has slumped to the lowest level 4.3% in 2002-03 mainly because of the worst droughts in two decades the growth rates are expected to go up close to 70% in 2003-04. A Global comparison shows that India is now the fastest growing just after China.

This is major improvement given that India is growth rate in the 1970's was very low at 3% and GDP growth in countries like Brazil, Indonesia, Korea, and Mexico was more than twice that of India. Though India's average annual growth rate almost doubled in the eighties to 5.9% it was still lower than the growth rate in China, Korea and Indonesia. The pick up in GDP growth has helped improve India's global position. Consequently India's position in the global economy has improved from the 8th position in 1991 to 4th place in 2001. When GDP is calculated on a purchasing power parity basis.

GLOBALISATION AND POVERTY

Globalisation in the form of increased integration through trade and investment is an important reason why much progress has been made in reducing poverty and global inequality over recent decades. But it is not the only reason for this often unrecognised progress, good national policies, sound institutions and domestic political stability also matter.

Despite this progress, poverty remains one of the most serious international challenges we face up to 1.2 billion of the developing world 4.8 billion people still live in extreme poverty.

But the proportion of the world population living in poverty has been steadily declining and since 1980 the absolute number of poor people has stopped rising and appears to have fallen in recent years despite strong population growth in poor countries. If the proportion living in poverty had not fallen since 1987 alone a further 215 million people would be living in extreme poverty today.

India has to concentrate on five important areas or things to follow to achieve this goal. The areas like technological entrepreneurship, new business openings for small and medium enterprises, importance of quality management, new prospects in rural areas and privatisation of financial institutions. The manufacturing of technology and management of technology are two different significant areas in the country.

There will be new prospects in rural India. The growth of Indian economy very much depends upon rural participation in the global race. After implementing the new economic policy the role of villages got its own significance because of its unique outlook and branding methods. For example food processing and packaging are the one of the area where new entrepreneurs can enter into a big way. It may be organised in a collective way with the help of co-operatives to meet the global demand.

Understanding the current status of globalisation is necessary for setting course for future. For all nations to reap the full benefits of globalisation it is essential to create a level playing field. President Bush's recent proposal to eliminate all tariffs on all manufactured goods by 2015 will do it. In fact it may exacerbate the prevalent inequalities. According to this proposal, tariffs of 5% or less on all manufactured goods will be eliminated by 2005 and higher than 5% will be lowered to 8%. Starting 2010 the 8% tariffs will be lowered each year until they are eliminated by 2015.

GDP GROWTH RATE

The Indian economy is passing through a difficult phase caused by several unfavourable domestic and external developments; Domestic output and Demand conditions were adversely affected by poor performance in agriculture in the past two years. The global economy experienced an overall deceleration and recorded an output growth of 2.4% during the past year growth in real GDP in 2001-02 was 5.4% as per the Economic Survey in 2000-01. The performance in the first quarter of the financial year is 5.8% and second quarter is 6.1%.

EXPORT AND IMPORT

India's Export and Import in the year 2001-02 was to the extent of 32,572 and 38,362 million respectively. Many Indian companies have started becoming respectable players in the International scene. Agriculture exports account for about 13 to 18% of total annual of annual export of the country. In 2000-01 Agricultural products valued at more than US \$ 6 billion were exported from the country 23% of which was contributed by the marine products alone. Marine products in recent years have emerged as the single largest contributor to the total agricultural export from the country accounting for over one fifth of the total agricultural exports. Cereals (mostly basmati rice and non-basmati rice), oil seeds, tea and coffee are the other prominent products each of which accounts for nearly 5 to 10% of the countries total agricultural exports.

Where does India stand in terms of Global Integration?

India clearly lags in globalisation. Number of countries have a clear lead among them China, large part of east and far east Asia and eastern Europe. Let's look at a few indicators how much we lag.

- Over the past decade FDI flows into India have averaged around 0.5% of GDP against 5% for China 5.5% for Brazil. Whereas FDI inflows into China now exceeds US \$ 50 billion annually. It is only US \$ 4 billion in the case of India
- Consider global trade - India's share of world merchandise exports increased from .05% to .07% over the past 20 years. Over the same period China's share has tripled to almost 4%.
- India's share of global trade is similar to that of the Philippines an economy 6 times smaller according to IMF estimates. India under trades by 70-80% given its size, proximity to markets and labour cost advantages.
- It is interesting to note the remark made last year by Mr. Bimal Jalan, Governor of RBI. Despite all the talk, we are now where ever close being globalised in terms of any commonly used indicator of globalisation. In fact we are one of the least globalised among the major countries - however we look at it.
- As Amartya Sen and many others have pointed out that India, as a geographical, politico-cultural entity has been interacting with the outside world throughout history and still continues to do so. It has to adapt, assimilate and contribute. This goes without saying even as we move into what is called a globalised world which is distinguished from previous eras from by faster travel and communication, greater trade linkages, denting of political and economic sovereignty and greater acceptance of democracy as a way of life.

THE BRIGHT SIDE OF GLOBALIZATION

The rate of growth of the Gross Domestic Product of India has been on the increase from 5.6 per cent during 1980-90 to seven per cent in the 1993-2001 period. In the last four years, the annual growth rate of the GDP was impressive at 7.5 per cent (2003-04), 8.5 per cent (2004-05), nine per cent (2005-06) and 9.2 per cent (2006-07). Prime Minister Manmohan Singh is confident of having a 10 per cent growth in the GDP in the Eleventh Five Year Plan period.

The foreign exchange reserves (as at the end of the financial year) were \$ 39 billion (2000-01), \$ 107 billion (2003-04), \$ 145 billion (2005-06) and \$ 180 billion (in February 2007). It is expected that India will cross the \$ 200 billion mark soon.

The cumulative FDI inflows from 1991 to September 2006 were Rs.1, 81,566 crores (US \$ 43.29 billion). The sectors attracting highest FDI inflows are electrical equipments including computer software and electronics (18 per cent), service sector (13 per cent), telecommunications (10 per cent), transportation industry (nine per cent), etc. In the inflow of FDI, India has surpassed South Korea to become the fourth largest recipient.

India controls at the present 45 per cent of the global outsourcing market with an estimated income of \$ 50 billion.

In respect of market capitalization (which takes into account the market value of a quoted company by multiplying its current share price by the number of shares in issue), India is in the fourth position with \$ 894 billion after the US (\$ 17,000 billion), Japan (\$ 4800 billion) and China (\$ 1000). India is expected to soon cross the trillion dollar mark.

As per the Forbes list for 2007, the number of billionaires of India has risen to 40 (from 36 last year) more than those of Japan (24), China (17), France (14) and Italy (14) this year. A press report was jubilant: This is the richest year for India. The combined wealth of the Indian billionaires marked an increase of 60 per cent from \$ 106 billion in 2006 to \$ 170 billion in 2007. The 40 Indian billionaires have assets worth about Rs. 7.50 lakh crores whereas the cumulative investment in the 91 Public Sector Undertakings by the Central Government of India is Rs. 3.93 lakh crores only.

THE DARK SIDE OF GLOBALIZATION

On the other side of the medal, there is a long list of the worst of the times, the foremost casualty being the agriculture sector. Agriculture has been and still remains the backbone of the Indian economy. It plays a vital role not only in providing food and nutrition to the people, but also in the supply of raw material to industries and to export trade. In 1951, agriculture provided employment to 72 per cent of the population and contributed 59 per cent of the gross domestic product. However, by 2001 the population depending upon agriculture came to 58 per cent whereas the share of agriculture in the GDP went down drastically to 24 per cent and further to 22 per cent in 2006-07. This has resulted in a lowering of the per capita income of the farmers and increasing the rural indebtedness.

The agricultural growth of 3.2 per cent observed from 1980 to 1997 decelerated to two per cent subsequently. The Approach to the Eleventh Five Year Plan released in December 2006 stated that the growth rate of agricultural GDP including forestry and fishing is likely to be below two per cent in the Tenth Plan period.

The reasons for the deceleration of the growth of agriculture are given in the Economic Survey 2006-07: Low investment, imbalance in fertilizer use, low seeds replacement rate, a distorted incentive system and low post-harvest value addition continued to be a drag on the sectors performance. With more than half the population directly depending on this sector, low agricultural growth has serious implications for the inclusiveness of growth.

ADVANTAGES OF GLOBALISATION

Cost reduction
Global learning
Rapid industrialization
Better allocation of resources
Reduction in poverty
Employment generation
Balanced development
Better quality of life
Human development

DISADVANTAGES OF GLOBALIZATION

Threat to domestic industries
Unemployment
Exploitation of labour
Widening gap between rich and poor
Overuse of natural resources.
Threat to national sovereignty
Globalization can be broadly defined as social, political and economic changes that we all adapt to. The strong currency rates, constructions, trading etc are all consequences of globalization.

POSITIVE IMPACT

- A better economy – it introduces rapid development of the capital market
- Introducing new technologies- the new technologies and progress in telecommunication, introduction of satellites, mobiles etc are all results of globalization.
- The new scientific research patterns are all results of globalization.
- Living standards are risen.
- Globalization introduces better trade. This is because more people are employed. This increases productivity.
- Apart from economical aspect, globalization has also brought an impact on political and cultural domain.
- Culturally speaking, globalization has brought in different ideologies, and thought process amongst people.
- Politically speaking, onset of western democratic system has an impact on politics.

NEGATIVE IMPACT

- Along with positive impact, there is negative too. Globalization brings fear as well. Because of too much flow of capital amongst countries, it introduces unfair and immoral distribution of income.
- Another fear is losing national integrity. Because of too much exchange of trade, money etc independent domestic policies are lost.
- Mental pressure on companies that causes many people to lose their jobs.

GLOBALISATION AND ITS POSITIVE IMPACT ON INDIAN AGRICULTURE

Globalisation is the new concept that has come to dominate the world since the nineties of the last century with the end of the cold war and the break-up of the former Soviet Union. The frontiers of the state with increased reliance on the market economy and renewed faith in the private capital and resources, a process of structural adjustment spurred by the studies and influences of the World Bank and other International organisations have started in many of the developing countries. Also Globalisation has brought in new opportunities to developing countries. Greater access to developed country markets and technology transfer hold out promise improved productivity and higher living standard. But globalisation has also thrown up new challenges like growing inequality across and within nations, volatility in financial market and environmental deteriorations. Another negative aspect of globalisation is that a great majority of developing countries remain removed from the process. Till the nineties the process of globalisation of the Indian economy was constrained by the barriers to trade and investment. Liberalisation of trade, investment and financial flows initiated in the nineties has progressively lowered the barriers to competition and hastened the pace of globalisation.

An early description of globalization was penned by the founder of the Bible Student movement Charles Taze Russell who coined the term 'corporate giants' in 1897, although it was not until the 1960s that the term began to be widely used by economists and other social scientists. The term has since then achieved widespread use in the main stream press by the later half of the 1980s. Since its inception, the concept of globalization has inspired numerous competing definitions and interpretations, with antecedents dating back to the great movements of trade and empire across Asia and the Indian Ocean from the 15th century onwards. Broadly speaking, the term 'globalization' means integration of economies and societies through cross country flows of information, ideas, technologies, goods, services, capital, finance and people. Cross border integration can have several dimensions – cultural, social, political and economic. But the term is most closely associated with the term economic globalization. Limiting ourselves to economic integration, one can see this happen through the three channels of (a) trade in goods and services, (b) movement of capital and (c) flow of finance. Besides, there is also the channel through movement of people.

EVOLUTION AND DEVELOPMENT OF GLOBALIZATION IN INDIA

Globalization is not a new phenomenon. It began towards the end of the nineteenth century, but it slowed down during the period from the start of the First World War, suffered from great depression and until the end of Second World War. This slowdown can be attributed to the inward-looking policies pursued by a number of countries in order to protect their respective industries... however, the pace of globalization picked up rapidly during the fourth quarter of the twentieth century. The liberalization of India's economy was adopted by India in 1991. Facing a severe economic crisis, India approached the IMF for a loan, and the IMF granted what is called structural adjustment loan, which is a loan with certain conditions attached which relate to a structural change in the economy. The government ushered in a new era of economic reforms based on these conditions. These reforms (broadly called Liberalization by the Indian media) can be broadly classified into three areas: Liberalization, privatization and globalization. Essentially, the reforms sought to gradually phase out government control of the market (liberalization), privatize public sector organizations (privatization), and reduce export subsidies and import barriers to enable free trade (globalization). There was a considerable amount of debate in India at the time of the introduction of the reforms, it being a dramatic departure from the protectionist, socialist nature of the Indian economy up until then. India is a signatory to the Uruguay Round Agreement of the General Agreement on Tariffs and Trade (GATT). This makes it mandatory for India and all member countries to open up their economies to the world market. In this process, agriculture will be a key sector. For the first time in world trade history, the World Trade Agreement of 1994 brought agriculture within its policy framework. With the signing of

WTO Agreement on Agriculture in 1994, India, along with 119 other member countries, will have to implement the agreement. The obligations and disciplines incorporated in the agreement which seek to reform trade in agriculture and provide the basis for market-oriented policies on agriculture, relate to the aspects of market access, domestic support, export competition/subsidies, and Trade Related Intellectual Property Rights (TRIPS). Some agreements are made for the simplicity in international dealings. In 1947, 23 countries came together and made GATT agreement. But after 1985 there had differences in practice of GATT the president of GATT of that time Mr. Dunkel prepared "Dankel Proposal" draft. In the beginning developing countries, workers union and others opposed the Dunkel Proposal. Then in 1994, 124 countries along with India were signed the proposal and final act was made. Giving the final pass to proposal "World Trade Organization" was established in January 1995. The member countries involved themselves in globalization through WTO.

IMPACT OF GLOBALIZATION ON INDIAN AGRICULTURE

The specific objectives of the study of positive impact of globalization on agriculture are (i) to examine how globalization of agriculture would affect agricultural production, change efficiencies and influence social issues in India, and (ii) to appraise the development in agriculture in the changing scenario to take advantage of the globalization process. With the operationalisation of the provisions of the WTO, the process of globalization commenced in the major parts of the world. There has always been an air of confusion among the members and non-members of the WTO in assessing the pros and cons of globalization on the health of their economy. The sector which has created the highest number of deliberations in the WTO as well as views and counterviews has been the agriculture- an area of utmost concern for the developed and the developing world's alike. India is no exception to it better say it has been among few countries in the world spear-heading the campaign against the biased provisions of the WTO concerning agriculture.

The favorable impacts of globalization on Indian agriculture are as under-

1) USE OF NEW TECHNOLOGIES

Increased use of various technologies such as pesticides, herbicides, and fertilizers as well as new breeds of high yield crops were employed to increase food production. These technologies included modern implementations in irrigation projects, pesticides, synthetic nitrogen fertilizer and improved crop varieties developed through the conventional, science-based methods available at the time. Use of High Yielding Varieties (HYVs) like IR8 a semi-dwarf rice variety, dubbed as "Miracle Rice". IR8 was also developed into Semi-dwarf IR36. HYVs significantly outperformed traditional varieties in the presence of adequate irrigation, pesticides, and fertilizers.

2) INCREASE IN AGRICULTURAL PRODUCTION AND PRODUCTIVITY

The green revolution had many effects on Indian economy. Due to adoption of HYV technology the production of food grains increased considerably in the country. The production of wheat has increased from 8.8 million tons in 1965-66 to 184 million tons in 1991-92. The productivity of other food grains has increased considerably. It was 71% in case of cereals, 104% for wheat and 52% for paddy over the period 1965-66 and 1989-90. Though the food grain production has increased considerably but the green revolution has no impact on coarse cereals, pulses and few cash crops. In short the gains of green revolution have-not been shared equally by all the crops.

3) INCREASE IN NATIONAL INCOME

Receiving the international market for the agricultural goods of India, there is an increase in farmer's agricultural product. New technology, new seeds, new agricultural practices etc. helped to grow the agricultural product. From the monetary point of view the share of agriculture sector in the economy is at 14.2% of the GDP (2010-11). Sector 1980-91 1992-2001 2002-07 (Tenth Plan Projected) Agriculture Industry Service 3.67.16.73.36.58.24.09.59.1 GDP 5.6 6.4 8.0

4) INCREASE IN EMPLOYMENTS

While exporting agricultural products it is necessary to classify the products, its standardization and processing, packing etc. The industries depending on agriculture are stored and it made an increase in employments. Agriculture is the biggest unorganized sector of the Indian economy accounting for more than 90% share in the total unorganized labour force. The share of agriculture in total employment stands at 52.1%

5) AGRICULTURE AS A PRIME MOVING FORCE

Agriculture is deeply related to industrial growth and national income in India. 1% increase in the agricultural growth leads to 0.5% increase in the industrial output and 0.7% increase in the national income in India. As a result, the government of India announced agriculture as the prime moving force of the Indian economy in 2002.

6) INCREASE IN THE SHARE IN TRADE

Because of the conditions of WTO all of the countries get the same opportunities so there is an increase in the export of agricultural products. According to data provided by WB, India's share in exports (goods and services) rose from 0.54% in 1990 to 0.67% in 1999. Indian exports rose by 103% during the same period.

7) INCREASE IN THE EXPORT OF AGRICULTURAL GOODS

The prices of agricultural goods are higher in the international market than Indian markets. If the developed countries reduced grants, they have to increase in the prices. So there will be increase in the export in Indian market and if the prices grow, there will be profit. Agricultural products account for 10.23% of the total export income of the economy, while agricultural imports account for just 2.74% of the total imports.

8) REDUCTION IN POVERTY

It is also true that globalization is commonly characterized as increasing the gap between the rich and the poor, but it is a matter of looking at poverty in relative terms. India's prior concern is of absolute poverty, which is worse than death, and if India makes efforts, globalization can be a key to get rid of it. Moreover, the percentage of people below the poverty line has been decreasing progressively, from 36 percent in 1993-94 to 26 percent in 1999-2000.

SECOND PUSH TO AGRICULTURE

The urgent need for taking agriculture to a higher trajectory of four percent annual growth needs a second push. Inspiring from the success of first Green Revolution, in Jan 2004 the Govt of India announced a major agriculture programme named as the second Green Revolution. In order to tap the benefits of globalization and to bridge the gap evolved after the first GR, the second Green Revolution is a concept as well as the name of a programme. Use of all eco-friendly means in cultivation is its motto. The second GR has every prospect of revolutionizing the agriculture sector of India with multi-dimensional positive impact on agriculture in particular and the economy, in general. The following points can be noted: 1. As agriculture production will increase, India will be safe from food security concern. This will provide India physical access to food. 2. Every Indian will have economic access to food because of increase in production and cost cut due to genetically modified foods (GMFs) will make food cheaper. 3. As this is a sustainable kind of agriculture revolution, India will also be able to make its agriculture sector ecologically safe-the achievement of ecological access will become possible. 4. The surplus agricultural produce will enter the world market and agriculture sector will be able to tap the benefits of globalization thus, farmers, rural areas and agri-business will be able to feel the benefits of economic reforms and globalization. 5. It will create gainful employment sources in the agriculture sector on which more than 58% of the population depends for its livelihood. It will serve the purpose of poverty alleviation, bridging economic inequalities, boosting rural development etc. it will also eliminate hunger and malnutrition in India. 6. India won't be an example of "market failure"- its market will succeed by increasing the purchasing capacity of the population. 7. There will also be improvement in the living standard of the population with improvement in India's rank on the human development index (HDI).

GLOBALIZATION AND POLITICS IN INDIA

Edited by *Baldev Raj Nayar* in OUP Catalogue from Oxford University Press

Abstract: This volume-in the Themes in Politics series-asks three important questions: What is the nature of the phenomenon under study? What are the causes of this pattern or phenomenon? What are its consequences? In addition, it asks what policies that would accentuate or attenuate the consequences? These questions form the overarching framework of this reader. The introduction provides a broad overview of the nature and development of economic globalization and India's experience with it. The readings offer a wide range of viewpoints and are organized into five broad sections: the nature of globalization, both in its past and contemporary incarnations; the nature of economic strategy in India that preceded globalization; the shift to economic liberalization and the stimulus

for it; the consequences of globalization and liberalization for India in relation to its external setting; and the consequences of these processes for India's domestic situation.

Globalization has many meanings depending on the context and on the person who is talking about. Though the precise definition of globalization is still unavailable a few definitions are worth viewing, Guy Brainbant: says that the process of globalization not only includes opening up of world trade, development of advanced means of communication, internationalization of financial markets, growing importance of MNCs, population migrations and more generally increased mobility of persons, goods, capital, data and ideas but also infections, diseases and pollution. The term globalization refers to the integration of economies of the world through uninhibited trade and financial flows, as also through mutual exchange of technology and knowledge. Ideally, it also contains free inter-country movement of labor. In context to India, this implies opening up the economy to foreign direct investment by providing facilities to foreign companies to invest in different fields of economic activity in India, removing constraints and obstacles to the entry of MNCs in India, allowing Indian companies to enter into foreign collaborations and also encouraging them to set up joint ventures abroad; carrying out massive import liberalization programs by switching over from quantitative restrictions to tariffs and import duties, therefore globalization has been identified with the policy reforms of 1991 in India.

The Important Reform Measures (Step Towards liberalization privatization and Globalization)

Indian economy was in deep crisis in July 1991, when foreign currency reserves had plummeted to almost \$1 billion; Inflation had roared to an annual rate of 17 percent; fiscal deficit was very high and had become unsustainable; foreign investors and NRIs had lost confidence in Indian Economy. Capital was flying out of the country and we were close to defaulting on loans. Along with these bottlenecks at home, many unforeseeable changes swept the economies of nations in Western and Eastern Europe, South East Asia, Latin America and elsewhere, around the same time. These were the economic compulsions at home and abroad that called for a complete overhauling of our economic policies and programs. Major measures initiated as a part of the liberalization and globalization strategy in the early nineties included the following:

Devaluation: The first step towards globalization was taken with the announcement of the devaluation of Indian currency by 18-19 percent against major currencies in the international foreign exchange market. In fact, this measure was taken in order to resolve the BOP crisis

Disinvestment-In order to make the process of globalization smooth, privatization and liberalization policies are moving along as well. **Under the privatization scheme, most of the public sector undertakings have been/ are being sold to private sector**

Effects of Globalization on Indian Industry started when the government opened the country's markets to foreign investments in the early 1990s. Globalization of the Indian Industry took place in its various sectors such as steel, pharmaceutical, petroleum, chemical, textile, cement, retail, and BPO.

Globalization means the dismantling of trade barriers between nations and the integration of the nations economies through financial flow, trade in goods and services, and corporate investments between nations. Globalization has increased across the world in recent years due to the fast progress that has been made in the field of technology especially in communications and transport. The government of India made changes in its economic policy in 1991 by which it allowed direct foreign investments in the country. As a result of this, globalization of the Indian Industry took place on a major scale.

The various beneficial effects of globalization in Indian Industry are that it brought in huge amounts of foreign investments into the industry especially in the BPO, pharmaceutical, petroleum, and manufacturing industries. As huge amounts of foreign direct investments were coming to the Indian Industry, they boosted the Indian economy quite significantly. The benefits of the effects of globalization in the Indian Industry are that many foreign companies set up industries in India, especially in the pharmaceutical, BPO, petroleum, manufacturing, and chemical sectors and this helped to provide employment to many people in the country. This helped reduce the level of unemployment and poverty in the country. Also the benefit of the Effects of Globalization on Indian Industry are that the foreign companies brought in highly advanced technology with them and this helped to make the Indian Industry more technologically advanced.

The various negative Effects of Globalization on Indian Industry are that it increased competition in the Indian market between the foreign companies and domestic companies. With the foreign goods being better than the Indian goods, the consumer preferred to buy the foreign goods. This reduced the amount of profit of the Indian Industry companies. This happened mainly in the pharmaceutical, manufacturing, chemical, and steel industries. The negative Effects of Globalization on Indian Industry are that with the coming of technology the number of labor required decreased and this resulted in many people being removed from their jobs. This happened mainly in the pharmaceutical, chemical, manufacturing, and cement industries.

The effects of globalization on Indian Industry have proved to be positive as well as negative. The government of India must try to make such economic policies with regard to Indian Industry's Globalization that are beneficial and not harmful.

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EFFECTS ON INDIAN INDUSTRY

1) INDIAN INDUSTRIAL SECTOR

- Petroleum Industry
- Pharmaceutical Industry
- Chemical Industry
- Textile Industry

2) MANUFACTURING SECTOR

- Indian Steel Industry
- Indian Cement Industry

Globalization and Structural Changes in the Indian Industrial Sector took place in the early 1990s when the government decided to open the markets to foreign investments by forming new economic policies.

Structural Changes in the Indian Industrial Sector and Globalization were initiated because the government wanted to encourage growth by doing away with supply bottlenecks that stopped efficiency and competitiveness.

Globalization implies the dismantling of trade barriers between nations and the integration of the economies of the nations through financial flow, trade in services and goods, and corporate investments between nations. Globalization has increased in the recent years due to the rapid progress that has been made in the area of technology especially in communications and transport. The Indian policies with regard to the industrial sector before globalization had imposed many restrictions on the sector with regard to the use and procurement of capital and raw material, type and nature of industry where the entry of private sector was allowed, the operation scale, and the various markets where they could supply. The Indian industrial policies favored firms of small size that were labor intensive.

The Structural Changes in the Indian Industrial Sector was brought about by the New Economic Policy of 1991 which did away with many of the regulations and restrictions. The various advantages of Globalization and Structural Changes in the Indian Industrial Sector are that it brought in huge amounts of foreign investments and this gave a major boost to this sector. Many foreign companies entered the Indian market and they brought in highly technologically advanced machines into the country as a result of which the Indian Industrial Sector became technologically advanced. With new companies being set up in the Indian Industrial Sector it provided employment opportunities for many people in the country which in its turn helped to reduce the level of poverty in the country. The number of factories in India in 1990-1991 stood at 110,179 and in 2003-2004, the figure increased to 129,074.

The various disadvantages of Globalization and Structural Changes in the Indian Industrial Sector are that with many foreign companies entering the sector increased the competition for the domestic companies. With foreign goods being better than the Indian products, the consumer in the country preferred to buy the foreign goods. This reduced the profit levels of the Indian companies and they had to resort to lowering the prices of their products which in turn further lowered their levels of profit. With highly advanced technology entering the Indian Industrial Sector, the number of labor required in the sector reduced. The number of labor in the Indian Industrial Sector in 1990-1991 was 81,62,504 and in 2003-2004, the figure has decreased to 78,70,081. Thus, Globalization and Structural Changes in the Indian Industrial Sector poses advantages and disadvantages for the country.

So the government of India must take steps in order to ensure that the changes in the structure of the Indian Industrial Sector are such that it facilitates globalization in a manner that is gainful and constructive for a country like India.

Globalization and the Indian Petroleum Industry go hand in hand since Globalization of the Indian Petroleum Industry started soon after the independence of the country.

The Indian Petroleum Industry was dependent from the very beginning on foreign capital, expert personnel, and technology, which led to the industry's globalization. Globalization entails the integration of the nations' economies through corporate investments, financial flow, and trade in goods and services between nations. Globalization also means the dismantling of trade barriers between nations and it has increased in the last few years due to the massive progress that has been made in the area of technology, especially in transport and communications. The Indian Petroleum Industry's Globalization took place since foreign involvement in the various important stages such as production, refining, exploration, and transportation increased over the years. In order to further encourage the Globalization of the Indian Petroleum Industry, the government of India took certain measures in the early 1990s when the country opened its markets to foreign investments.

The various measures taken by the government to encourage Globalization and the Indian Petroleum Industry are converting the legal status of the Oil and Natural Gas Commission to a corporation. In order to encourage the involvement of the private sector in production and exploration, the government set up the Directorate General of Hydrocarbon. The government in an effort to encourage Indian Petroleum Industry's Globalization has offered the contract of discovered fields to foreign and private companies. The various companies that have helped in the Globalization of the Indian Petroleum Industry are Enron Oil and Gas Company, Videocon Petroleum Ltd, Reliance Industries Ltd., Ravva Oil Ltd., and Command Petroleum.

The Indian government in an attempt to further boost the Globalization of the Indian Petroleum Industry formed the Exploration Licensing Policy by which it tried to attract the foreign and Indian companies to production and exploration. The incentives that were declared by the government to encourage Globalization and the Indian Petroleum Industry are that on imports that were required for petroleum operations custom duty would not have to be paid, state participation is not compulsory, no tax on the production of crude oil, provisions for liberal depreciation, tax holidays for 7 years from the day that production starts, and the freedom to sell natural gas and crude oil in the domestic market at prices that are related to the market.

Globalization and the Indian Petroleum Industry has been going together as has been seen for the past many years. The government of India has taken several measures in order to ensure that the Globalization of the Indian Petroleum Industry is successful for the industry. In the future, the government is likely to ensure that Indian Petroleum Industry's Globalization is beneficial for the industry and not harmful.

INDIAN TEXTILE INDUSTRY

The initiation and development of globalization and Indian textile industry took place simultaneously in the 1990s. The Indian textile industry, until the economic liberalization of Indian economy was predominantly an unorganized industry. The economic liberalization of Indian economy in the early 1990s led to stupendous growth of this Indian industry. The Indian textile industry is one of the largest textile industries in the world and India earns around 27% of the foreign exchange from exports of textiles and its related products. Further, globalization of India textile Industry has seen a paradigm increase in the 'total industrial production' factor of this Industry, which presently stands at 14%. Furthermore, the contribution of the Indian textile Industry towards the gross domestic product (GDP) of India is around 3% and the numbers are steadily increasing. The process of globalization and Indian textile industry development was the effect of rapid acceptance of 'open market' policy by the developing countries, much in the lines of the developed countries of the world.

The initiation and its subsequent development of globalization and Indian textile industry respectively, was effected by the Ministry of Textiles under the Government of India. The aggressive policy that was undertaken for the rapid development of globalization and Indian textile industry were really praiseworthy. The most significant step amongst them was introduction of "The National Textile Policy 2000". This policy envisaged to address the following issues -

- Increased global competition in the post 2005 trade regime under WTO
- Huge import volume of cheap textiles from other Asian neighbors
- High production cost with respect to other Asian competitors
- Use of outdated manufacturing technology
- Poor supply chain management and huge transit cost
- Huge unorganized and decentralized sector

Further, this policy also aims at increasing the foreign exchange earnings to the tune of US \$ 50 billion by the end of the year 2010. It includes rational projections for the overall development and promotion of all the sectors involved directly or indirectly with the Indian textile industry. Furthermore, this policy also envisages the inclusion of the huge unorganized and decentralized Indian textile sector under the organized textile industry. This is because the unorganized textile manufacturing sector in India accounts for 76% of the total textile production.

The globalization of the Indian textile sector was the cumulative effect of the following factors:

- Huge textile production capacity
- Efficient multi-fiber raw material manufacturing capacity
- Large pool of skilled and cheap work force
- Entrepreneurial skills
- Huge export potential
- Large domestic market
- Very low import content
- Flexible textile manufacturing systems

The Indian textile industry consist of the following sectors -

- Man-made Fiber
- Filament Yarn Industry
- Cotton Textile Industry
- Jute Industry
- Silk and Silk Textile Industry
- Wool & Woolen Industry
- Power loom Sector

An approximate number of textile manufacturing companies operating in India are given below -

- Badges, emblems ribbons and allied products - 175
- Bed covers, curtains, cushions and other draperies - 2471
- Carpets and rugs - 270
- Embroidery and embroidered garments, made ups and furnishing - 848
- Fabrics and textiles - 3013
- Yarns and threads - 1201
- Jute products - 337
- Kids apparel and garments -1052
- Ladies apparel and garments - 2932
- Men's' apparel and garments - 2936
- Miscellaneous garments, textile and leather accessories - 1658
- Yarns and threads - 1201
- Wool, woolen garments, blankets and accessories - 468
- Textile chemicals, dyeing and finishing chemicals - 239

The overall growth of the Indian textile industry can be attributed to the globalization. Today, the Indian textile industry employs around 35 million personnel directly and it accounts for 21% of the total employment generated in the economy. Globalization of the Indian textile industry has also facilitated introduction of modern and efficient manufacturing machineries and techniques in the Indian textile sector. Thus, much of India's economic growth is largely dependent on textile manufacturing and exports.

The initiation and development of **globalization of the Indian manufacturing sector** took place simultaneously in the 1990s. The widespread acceptance and development of globalization of the Indian manufacturing sector effected astronomical growth of this industry.

GLOBALIZATION

The meaning of globalization may vary from person to person depending on the context. There are some scholars who believe that globalization is not only about growth in technology and communication, opening of world trade, rising of multinational companies, population migration or expansion of financial markets. Globalization, according to them, cannot also be defined in terms of capital, statistics, ideas or goods alone. They hold that globalization causes pollution, infections and diseases also. Hence, both the positive as well as negative impact of the globalization has been shown here.

The other views suggest that globalization means financial consolidation of the world channelized through free trade and capital inflows. This is also inclusive of technology transfer and knowledge. Free labor movement between the countries is another aspect of the globalization. As per India is concerned, globalization means opening doors for foreign direct investment (FDI) by facilitating the process of investment for international companies in various areas of economic activity in the nation. It also signifies MNCs entry into India and tie-ups of Indian companies with foreign institutions. Launching joint ventures in the foreign destinations and liberalization programs are also the part of the globalization process in India. Thus, in the context of India, globalization is primarily referred to as policy reforms.

GLOBALIZATION AND DEVELOPING COUNTRIES

Globalized countries like India and China emerged stronger during the worst global recession period and continued to rule the chart with their impressive performance. The credit for this can be given to their policy reforms that hit the right chord at the right time, making them one of the safest destinations for the foreign investors. Today, most of the developed nations are looking keenly at these two developing countries to come out of the troubled waters and to re-establish their economy on firm grounds. Governments of both India and China are also trying their best to attract capital inflows as much as possible by relaxing their tax and duty rules.

Truly speaking, this is the real effect of globalization and all the globalized or globalization countries whether developed or developing can draw huge benefit from this system, if aptly used.

CONCLUSIONS

The implications of globalisation for a national economy are many. Globalisation has intensified interdependence and competition between economies in the world market. This is reflected in Interdependence in regard to trading in goods and services and in movement of capital. As a result domestic economic developments are not determined entirely by domestic policies and market conditions. Rather, they are influenced by both domestic and international policies and economic conditions. It is thus clear that a globalising economy, while formulating and evaluating its domestic policy cannot afford to ignore the possible actions and reactions of policies and developments in the rest of the world. This constrained the policy option available to the government which implies loss of policy autonomy to some extent, in decision-making at the national level.

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GLOBALISATION AND NUTRITIONAL CHANGE IN INDIA

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ABSTRACT

This paper examines the change in the nature of food demand in India in the last twenty years. It identifies two distinct stages of diet transition associated with the period of economic growth. During the first stage, income-induced diet diversification, Consumers move away from inferior goods to superior foods and substitute some traditional staples, especially rice. In the second stage, diet globalisation, the influences of globalisation are much more marked with increased consumption of proteins, sugars and fats. Diet diversification has marked the process of transformation in food production systems. The implications for small and marginal farmers could be serious, unless there are incentives and policies that allow them to move away from subsistence agriculture and become more integrated in the global food market.

KEYWORDS

globalization, nutritional change.

INTRODUCTION

India is in a phase of rapid economic and demographic transition. Per capita income has been rising steadily since the 1980s. Life expectancy is increasing and birth rates are falling. The impressive growth rates of the 1980s were maintained in the last decade with reforms to open up the Indian economy. Poverty levels continue to decline as does the incidence of malnutrition and stunting. A key feature of this remarkable period of growth has been the change in the nature of the Indian diet. As the world economy becomes more integrated and communication faster, diet transition would have been inevitable. But it is clear that during the most recent decade globalisation has played an enormously important role in the transformation of food consumption patterns of Indian households. This is particularly evident in urban areas. The change in consumer tastes and demand has critical implications for the whole food supply system. The present paper looks at the impact of globalisation on both the demand side and the supply side of the food system in India.

DIET AND NUTRITION CHANGE IN INDIA

1. DRIVING FORCES OF DIET AND NUTRITION CHANGE

Significantly, and consistent with high rates of growth, the proportion of per capita expenditure on food items has fallen. Economic growth has been accompanied by rising urbanisation. Indian cities are expanding with substantial increases in the growth rates predicted in the next thirty years.

Increased urbanisation has seen the rise of the middle classes and it is predominantly the lifestyle preferences of this group that mark a change with the past. Moreover, economic growth alters the structure of the labour force in urban areas characterised by increased female participation with important consequences for the family diet. As more women enter the labour force, the traditional role of the Indian housewife to be in charge of food preparation is eroding. Whilst women may still have prime responsibility for providing the daily meals, the nature of these meals may change. The consumption of ready-made meals, or foods that cut the long preparation time of traditional dishes, are likely to be a predominant feature of the diet for families where there is a high female participation rate. Chapati-mixes for example can be likened to the availability of ready-made bread mixes in developed countries. Both are designed to appeal to women whose opportunity cost of time is high.

Moreover, working couples with no children may enjoy on average higher disposable incomes and are thus likely to consume food outside the home on a regular basis. It should be noted that whilst the emergence of the nuclear family is growing, India is still far from having the same numbers of two-income families that characterise labour markets of developed nations. With further increases in economic growth and greater integration in the global market, this may change more rapidly and consequently, we may see an even stronger upward shift in demand for convenience processed food.

The process of diet transformation in India can be seen as involving two separate stages:

- (i) *income-induced diet diversification*. At the start of the process of faster economic growth, diets diversify but *maintain predominantly traditional features*;
- (ii) *diet globalisation*. As globalisation begins to exert its influence, we see the adoption of markedly different diets that *no longer conform to the traditional local habits*.

2. TRENDS IN DIET DIVERSIFICATION IN INDIA

Diet diversification, we should observe an increase in the demand for all traditional foods as income increases, such as rice, wheat, pulses, cereals, and animal products. During the second stage of change, as global influences begin to exert their effects, we should observe that the increase in demand is mainly concentrated on wheat, animal products and related foods, and there could be a *decline* in the consumption of traditional foods. However, it is important to note that income-induced diversification is still continuing and will do so for a long time to come but there are signs that diet globalisation is emerging. Diet globalisation is a phenomenon to watch over the future.

3. DIET DIVERSIFICATION AND HEALTH

The process of diet transformation has far-reaching consequences for public health. The adoption of a more varied and nutritionally balanced diet, typical of *income-induced diet diversification*, generally leads to a substantial improvement in public health indicators. The health implications of the *globalisation* of diets are less clear-cut. On the one hand, the availability of a much broader range of food products enables consumers to overcome the limitations of the traditional local diets in terms of availability of resources. Also, the process of food standardisation that is put in place by large food distributors and supermarket chains can ensure higher levels of food hygiene. Both these aspects would be associated with an improvement in health indicators.

A diet that is particularly unhealthy, for instance because it is highly energy-dense or includes a high proportion of processed food, would clearly have individual costs in terms of a higher risk of illnesses for the individuals or households involved. These costs might be taken into account by the consumers, although they are often not given the weight they deserve.

TRANSFORMATION OF FOOD SUPPLY SYSTEMS

India is beginning to observe a dramatic change in food supply systems in response to rapid urbanization, diet diversification, and the liberalization of foreign direct investment in the food sector. The observed changes are in both the retail sector as well as in the production sector. This section describes the changes in food supply systems, with a particular emphasis on provisioning the cities. It then proceeds to examine the implications for domestic production and the specific impact on small farmers.

1. FEEDING THE CITIES

Feeding the burgeoning urban masses is one of the most important food policy challenges facing India today and for the foreseeable future. There are three specific dimensions to the issue of feeding the cities. The first stems from the quantitative aspect. Towns are getting larger and so the size of the urban market is expanding. This requires not only increases in total urban food supply, but also the establishment of large suppliers in order to manage the increased level of activity in the market. The second dimension derives from the qualitative aspect of demand changes in cities. The rapid diversification of the urban diet cannot

be met by the traditional food supply chain. It requires in effect the commercialisation and diversification of domestic production systems and/or increased food imports. The third dimension draws from the location of urban centres. India's most populous cities and towns tend to be located on the coast. Importing food to satisfy the changing food demand could be relatively easier and less costly than acquiring the same food from the domestic hinterlands.

The change in urban food demand is almost simultaneously accompanied by changes in retail preferences. Western style marketing outlets are gaining a foothold in most Indian cities. Whilst income-induced diet diversification may be met by local suppliers with few changes to the existing production environment, the second stage of diet globalisation requires a shift away from traditional products. Globalisation results in a significant increase in the size of the domestic food market and this generates powerful incentives for foreign suppliers and supermarkets to enter the food sector. Trade liberalization greatly facilitates the widespread establishment of global supermarket chains and fast food outlets and thus speeds up the diffusion of homogenous foods and of a global diet in the Indian market. The growth of supermarkets is thus a crucial determinant for the second stage of the change in dietary habits.

2. GLOBALISATION, DIET DIVERSIFICATION AND THE SMALL FARMER

The most critical issue for Indian agriculture is how small and marginal farmers can be integrated into the global process. Indian farming is dominated by subsistence farmers who need to be able to face the challenges that result from exposure to integrated world markets. Although subsistence farming carries its own risks, the risks arising from globalisation are quite different. Therefore appropriate mechanisms and policies need to be put in place. The nature of the challenges facing smallholder farmers stems from competition with large-scale production and the ability to diversify into new varieties of crops. Their ability to adapt hinges fundamentally on their ability to make the necessary investments and changes. Given the rapid pace of change, it may appear that small farmers might be the losers of economic transformation. identifies several necessary conditions that must be met to allow local suppliers access to the changing market. Specifically, these conditions are grouped under four key areas. These are an understanding of the market, including knowledge of buyers and changing tastes; organisation of the firm to consider production equipment and investment capital, technology and quality of goods and services; good communication and transport links and fourthly, an appropriate policy environment that the legal framework to deal with issues such as land tenure, the trading environment and acceptable tariff and non-tariff barriers.

The growth of village milk co-operatives in India has pointed to a successful way of integrating landless, small and marginal farmers into the changing food market. Following from the experience in the dairy industry, co-operatives are also in operation in vegetable production but with mixed results. Nonetheless, it is widely accepted that diversification into vegetables away from the more traditional cereal production does increase rural employment. A crucial issue for the survival of small farmers is their ability to sell their products to large supermarket chains. It is critical that small farmers are guaranteed access to the procurement systems of supermarkets. This could be achieved by ensuring that structures of intermediation are in place, for instance in the form of cooperatives of small farmers, that provide the latter with a channel for selling their products to supermarkets under fair conditions. The implications for small farmers to selling their products to supermarkets rather than to retailers or directly to customers can be far-reaching. First, their output has to conform to the standardization requirements of supermarkets. They will therefore have to invest in the appropriate technology for ensuring this outcome, and this could impact on their production systems. Second, they might face reduced uncertainty on their sales, since they would work directly for the supermarket chains. In Africa, for example, British supermarkets have entered direct agreements with farmers in the production of fruit and vegetables. In India, this is beginning to happen with companies such as McCain (major supplier to McDonalds') negotiating with small farmers directly for the provision of potatoes (see Sabharwal, 2003). In these types of agreements, the large food outlet undertakes the required investment necessary to produce the specific product.

CONCLUSIONS

In this paper, we have examined the change in the nature of food demand in India in the last twenty years. We identify two distinct stages of diet transition associated with the period of economic growth. The impact of globalisation has accelerated the nature of dietary change and this has implications for food supply systems. Liberalisation has meant that large food chains have a strong incentive to enter the very large Indian market but given their relative bargaining power this could have adverse effects on Indian suppliers. However, whilst agricultural diversification has marked the process of transition in food production in order to meet the change in food demand this need not spell the demise of small farmers. We have seen in Andhra Pradesh, positive initiatives taken by small farmers in securing their livelihoods. Moreover, an examination of the experiences of small farmers across the globe may provide some useful ways for the protection of small farmers.

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TEA INDUSTRY IN TAMILNADU: DISTRICT WISE ANALYSIS

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ABSTRACT

Tea is one of the important beverages in this world. India and China are the major tea producing countries of the world. India and China are also the major tea exporters in this world. Tea industry is playing very important role in tea producing countries because it gives major income for the country. Tea is one of the oldest industries in India and today it enjoys the status of one of the best organized industries in the country. Tamil Nadu is an important producer of tea. Nilgiris District of Tamil Nadu has the reputation of being one of the finest tea growing tracts in the World. In 1968, the Government of Tamil Nadu started implementing the Government Tea Project in the Nilgiris. The following are the important objectives of the study, to analyse the number of tea estates in Tamilnadu, to analyse the tea cultivation area in Tamilnadu, to analyse the production of tea in Tamilnadu, to analyse the average yield of tea in Tamilnadu.

KEYWORDS

Tea, Tea Yield, Tea Production, Tea Yield.

INTRODUCTION

Tea is one of the important beverages in this world. India and China are the major tea producing countries of the world. India and China are also the major tea exporters in this world. Tea industry is playing very important role in tea producing countries because it gives major income for the country. Tea is one of the oldest industries in India and today it enjoys the status of one of the best organized industries in the country. Although tea has been known since 2737 B.C. and consumed as a beverage for 1250 years' its cultivation in India commenced very recently. The discovery of indigenous tea in Assam in 1823 led to the origin of the tea industry in India. However, the Kolkata Agricultural Society differs from the above opinion. It has consistently held that in the early 1700's, the ships of the East India Company frequently brought the tea plants in the country by way of curiosity. Col. Kyol, a resident of Kolkata and a famous botanist, saw tea plants growing in his garden in 1780. This information was sent to Sir Joseph Bank and in 1782 his garden as handed over to Botanical Garden of Kolkata. In 1788, Sir Joseph Bank recorded the existence of indigenous tea growing wild in Coochbehar and Rangpur districts of Bengal and suggested the cultivation of this plant. The wild teas of Coochbehar confirmed the first discovery of indigenous tea in India.

Tamil Nadu is an important producer of tea. Nilgiris District of Tamil Nadu has the reputation of being one of the finest tea growing tracts in the World. In 1968, the Government of Tamil Nadu started implementing the Government Tea Project in the Nilgiris. It was managed by the Forest Department as a scheme to rehabilitate the Sri Lanka Repatriates. In 1975 the Project was, brought under corporate management in the name of the Tamil Nadu Tea Plantation Corporation Limited. This Corporation is under the administrative control of Environment and Forest Department of Government of Tamil Nadu.

OBJECTIVES OF THE STUDY

The following are the important objectives of the study

- To analyse the number of tea estates in Tamilnadu.
- To analyse the tea cultivation area in Tamilnadu.
- To analyse the production of tea in Tamilnadu.
- To analyse the average yield of tea in Tamilnadu.

HYPOTHESIS ANALYSIS

The following are the important hypothesis analysis of the present study

- Ho₁: Average yields of tea in Kanyakumari district and Tirunelveli District are significantly same.
 Ho₂: Average yields of tea in Kanyakumari district and Madurai District are significantly same.
 Ho₃: Average yields of tea in Kanyakumari district and Coimbatore District are significantly same.
 Ho₄: Average yields of tea in Kanyakumari district and Nilgiri District are significantly same.

PERIOD OF THE STUDY

The present study covers the periods ten years from 1998 to 2007.

FRAME WORK OF ANALYSIS

The collected data are processed with the help of appropriate statistical tools like Index of Growth, correlation analysis and t test analysis in order to fulfill the objectives of the study.

ANALYSIS OF THE STUDY

This part is analyses the number of tea estates, area of tea cultivation, production of tea and average yield of tea in Tamilnadu. Nilgiris, Coimbatore, Madurai, and Kanyakumari are the important Districts are producing tea in Tamilnadu.

TEA ESTATES IN TAMILNADU

The following Table 1 shows the number of tea estates in Tamilnadu from 1998 to 2007.

TABLE 1: NUMBER OF TEA ESTATES IN TAMILNADU

YEAR	Number of tea estates in Tamilnadu	Index of Growth
1970	06450	100.00
1975	06450	100.00
1980	06725	104.26
1985	06725	104.26
1990	06816	105.67
1995	25807	400.10
1998	55841	865.75
1999	55841	865.75
2000	60618	939.81
2001	62213	964.54
2002	62213	964.54
2003	62213	964.54
2004	62213	964.54
2005	62213	964.54
2006	62213	964.54
2007	62213	964.54

Source: Statistical Report of Tea Board

It is clear from Table 1 that number of tea estates in Tamilnadu was 55841 in 1998. It increased to 60618 in 2000, it further increased to 62213 in 2001 and it remains same for the remaining study period up-to 2007.

TEA CULTIVATION AREA IN TAMILNADU

Area is the very important factor for tea cultivation in Tamilnadu. The following Table 2 shows the tea cultivation area in Tamilnadu from 1970 to 2007.

TABLE 2: TEA CULTIVATION AREA IN TAMIL NADU

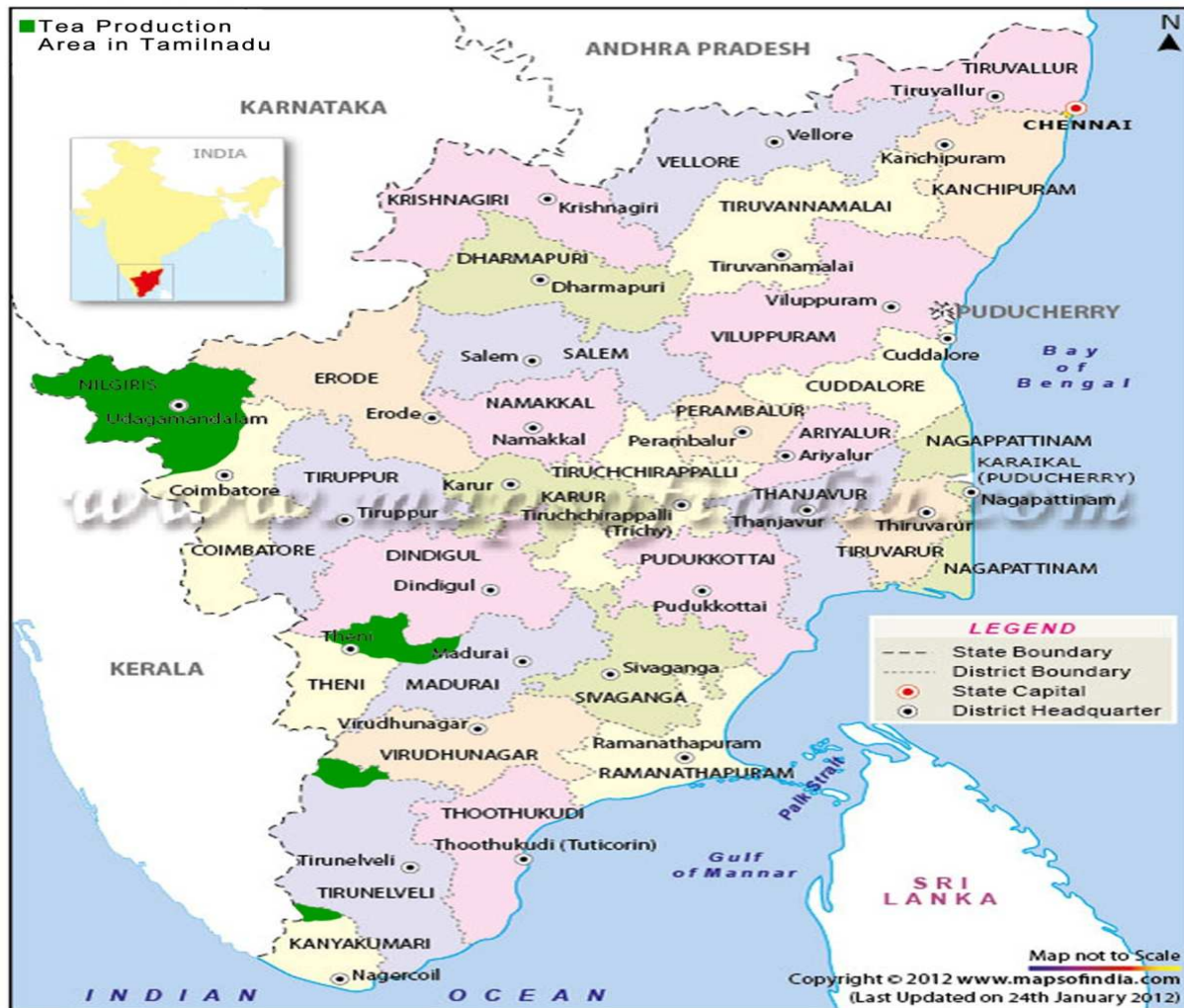
Year	Tea Cultivation Area (Hectares)	Index of Growth
1970	34,587	100.00
1975	35,611	102.96
1980	37,030	107.06
1985	37,034	107.07
1990	38634	111.70
1995	48,958	141.55
1998	63,543	183.71
1999	69,103	199.79
2000	74,398	215.10
2001	75,625	218.65
2002	75,619	218.63
2003	75,619	218.63
2004	75,978	219.67
2005	80,939	234.01
2006	81,276	234.99
2007	80,462	232.63

Source: Statistical Report of Tea Board

It is clear from Table 2 that tea cultivation area in Tamilnadu was increasing every year. In 1998 the tea cultivation area was 63543 hectares, it increased to 69103 hectares in 1999. In 2000 the tea cultivation area was 74398 hectares, and it again increased to 75625 hectares in 2001 and to 80462 hectares in 2007. The growth of tea cultivation area was remarkably increasing every year.

The tea producing areas in Tamilnadu can be known through Map 2.1

MAP 2.1: TEA PRODUCING AREA IN TAMILNADU



It is known from the Map 2.1 that the important tea producing areas in Tamilnadu are Nilgri, Coimbatore and Madurai.

TEA PRODUCTION IN TAMILNADU

The following Table 3 shows the production of tea in Tamilnadu from 1970 to 2007.

TABLE 3: PRODUCTION OF TEA IN TAMIL NADU

Year	Production (M.Kgs)	Index of Growth
1970	55.557	100.00
1975	60.452	108.81
1980	74.006	133.20
1985	84.853	152.73
1990	110.576	199.00
1995	117.915	212.24
1998	132.046	237.67
1999	130.462	234.82
2000	131.812	237.25
2001	132.401	238.32
2002	128.963	232.12
2003	131.712	237.07
2004	163.056	293.49
2005	158.837	285.89
2006	163.656	294.57
2007	160.531	288.94

Source: Statistical Report of Tea Board

It is clear from Table 3 that the tea production in Tamilnadu was fluctuating every year. In 1998 the tea production in Tamilnadu was 132.046 m.kgs. It decreased to 130.462 m.kgs in 1999, and it increased to 131.812 m.kgs in 2000. It further increased to 132.401 m.kgs in 2001. Tea production decreased to 128.963 m.kgs in 2002 and it increased to 131.712 m.kgs in 2003. It increased to 163.056 m.kgs in 2004 and then decreased to 158.837 m.kgs in 2005. It increased to 160.531 m.kgs in 2007 and it reached to 170.700 m.kgs in 2010. The growth of tea production was remarkably increasing every year.

AVERAGE YIELD OF TEA IN TAMILNADU

The following Table 4 shows the average yield of tea in Tamilnadu from 1970 to 2007.

TABLE 4: AVERAGE YIELD OF TEA IN TAMILNADU

YEAR	Average Yield of Tea in Tamilnadu (Kg/Hectares)	Index of Growth
1970	1609	100.00
1975	1697	105.46
1980	1998	124.17
1985	2055	127.71
1990	2185	135.79
1995	2059	127.96
1998	1890	117.46
1999	1888	117.33
2000	1772	110.13
2001	1751	108.82
2002	1893	117.65
2003	2203	136.91
2004	2146	133.37
2005	2022	125.66
2006	2014	125.17
2007	1995	123.99

Source: Statistical Report of Tea Board

It is clear from Table 4 that the average yield of tea in Tamilnadu in 1970 was 1609 kgs per hectare. In 1998 the average yield was 1890 kgs per hectare, in 1999 the average yield was 1888 kgs per hectare and in 2000 the average yield was 1772 kgs per hectare. It increased to 2203 kgs per hectare in 2003. It then took a decreasing trend and reached to 1995 kgs per hectare in 2007. The growth of average yield of tea in Tamilnadu was remarkably increasing every year.

DISTRICT-WISE TEA ESTATES IN TAMILNADU

Nilgris, Coimbatore, Madurai, Tirunelveli and Kanyakumari are the important tea producing Districts in Tamilnadu. The following Table 6 shows the District-wise tea estates in Tamilnadu from 1998 to 2007.

TABLE 6: DISTRICT-WISE CLASSIFICATION OF TEA ESTATES IN TAMILNADU

Year	Kanyakumari	Tirunelveli	Madurai	Coimbatore	Nilgris	Total
1998	7	4	6	52	55772	55841
1999	7	4	6	52	55772	55841
2000	7	4	6	52	60549	60618
2001	7	4	5	52	62145	62213
2002	7	4	5	52	62145	62213
2003	7	4	5	52	62145	62213
2004	7	4	5	52	62145	62213
2005	7	4	5	52	62145	62213
2006	6	4	5	52	62145	62212
2007	6	4	5	52	62145	62212

Source: Statistical Report of Tea Board

It is clear from Table 6 that Nilgris District stands first in terms of number of tea estates with about 62,145 estates in 2007, Coimbatore District stands second with 52 tea estates, Kanyakumari District stands third with about 7 tea estates from 1998 to 2005 but it declined to 6 estates in 2006 and 2007. Madurai District stands fourth place with 6 tea estates from 1998 to 2000 but it declined to 5 estates from 2001 to 2007. Tirunelveli District stands the last place with 4 tea estates from 1998 to 2007.

DISTRICT-WISE TEA CULTIVATION AREA IN TAMILNADU

The following Table 7 shows the District-wise tea cultivation area in Tamilnadu from 1998 to 2007.

TABLE 7: DISTRICT-WISE CLASSIFICATION OF TEA CULTIVATION AREA IN TAMILNADU (Hectares)

Year	Kanyakumari	Tirunelveli	Madurai	Coimbatore	Nilgris	Total
1998	434	800	935	11008	50366	63543
1999	434	800	941	11609	55319	69103
2000	434	800	973	11764	60427	74398
2001	434	800	973	11784	61634	75625
2002	433	800	973	11734	61679	75619
2003	433	800	973	11734	61679	75619
2004	433	800	972	11734	62039	75978
2005	410	800	991	12623	66115	80939
2006	410	800	991	12623	66452	81276
2007	310	818	550	12628	66156	80462

Source: Statistical Report of Tea Board

It is clear from Table 7 that in 1998 the tea cultivation area in Nilgris district was 50366 hectares and it reached to 66156 hectares in 2007. In Coimbatore District the tea cultivation area was increasing every year i.e., in 1998 the tea cultivation area was 11008 hectares and it reached to 12628 hectares in 2007. In other districts the tea cultivation area was almost remains same over a period of 10 years from 1998.

Tea cultivation in different districts are analysed through correlation analysis and the result of it is stated in Table 7.1 as follows:

TABLE 7.1: DISTRICT-WISE TEA CULTIVATION AREA IN TAMILNADU (Correlation Analysis)

District	Correlations Marked correlations are significant at $p < .05000$ (N=10)						
	Means	S. D.	Ka. kumari	Tirunelveli	Madurai	Coimbatore	Nilgris
Kanyakumari	416.50	38.685	1.000000	-0.967317	0.935537	-0.647074	-0.489930
Tirunelveli	801.80	5.692	-0.967317	1.000000	-0.990703	0.463319	0.345239
Madurai	927.20	133.778	0.935537	-0.990703	1.000000	-0.353975	-0.216850
Coimbatore	11924.10	533.812	-0.647074	0.463319	-0.353975	1.000000	0.909276
Nilgris	61186.60	5057.572	-0.489930	0.345239	-0.216850	0.909276	1.000000

It clear from Table 7.1 that there exists high positive correlation between Kanyakumari district and Madurai district as for as the area under tea cultivation in different periods. Low positive correlation existed between Tirunelveli and Nilgris districts.

It is further analysed related to t test of independent variable to know the comparative consistently in the growth over a period of time. The result of the analysis is stated in Table 7.2 as follows:

TABLE 7.2: DISTRICT-WISE TEA CULTIVATION AREA IN TAMILNADU (t test Analysis)

District	Test of means against reference constant (value)							
	Mean	S. D.	N	S. E.	Reference	t-value	df	p
Kanyakumari	416.50	38.685	10	12.233	0.00	34.0468	9	0.000000
Tirunelveli	801.80	5.692	10	1.800	0.00	445.4444	9	0.000000
Madurai	927.20	133.778	10	42.304	0.00	21.9173	9	0.000000
Coimbatore	11924.10	533.812	10	168.806	0.00	70.6378	9	0.000000
Nilgris	61186.60	5057.572	10	1599.345	0.00	38.2573	9	0.000000

It is clear from the table that t value is low for tea cultivation areas in Madurai districts of Tamilnadu, which shows that there is comparatively high consistency with respect to area of tea cultivation for different periods of the study.

DISTRICT-WISE TEA PRODUCTION IN TAMILNADU

The Table 8 shows the District-wise tea production in Tamilnadu from 1998 to 2007.

TABLE 8: DISTRICT-WISE TEA PRODUCTION IN TAMILNADU (M.Kgs)

District/Year	Kanyakumari	Tirunelveli	Madurai	Coimbatore	Nilgris	Total
1998	00.244	01.350	02.452	32.450	95.550	132.046
1999	00.131	01.247	02.339	32.117	94.628	130.462
2000	00.137	00.990	02.660	32.831	95.194	131.812
2001	00.117	01.779	03.152	31.261	96.092	132.401
2002	000.141	001.692	001.318	027.124	112.846	143.121
2003	000.101	001.658	002.036	029.208	133.569	166.572
2004	000.310	001.454	002.306	029.417	129.757	163.015
2005	000.472	001.660	003.098	030.927	122.680	158.837
2006	000.820	001.226	002.084	035.291	124.973	163.656
2007	000.700	001.360	002.129	032.189	124.783	160.531

Source: Statistical Report of Tea Board

It is clear from Table 8 that the tea production in Nilgri District was 95.550 m.kgs in 1998 and it reached to 124.783 m.kgs in 2007; tea production in Coimbatore District was 32.450 m.kgs in 1998 and it declined to 32.189 m.kgs in 2007; tea production in Madurai District was 2.452 m.kgs in 1998 and it declined to 2.129 m.kgs in 2007; tea production in Tirunelveli District was 1.35 m.kgs in 1998 and it marginally increased to 1.36 in 2007 and tea production in Kanyakumari District was 0.244 m.kgs in 1998 and it increased to 0.70 m.kgs in 2007.

Tea production in different districts are analysed through correlation analysis and the result of it is stated in Table 8.1 as follows:

TABLE 8.1: DISTRICT-WISE TEA PRODUCTION IN TAMILNADU (Correlation Analysis)

District	Correlations Marked correlations are significant at $p < .05000$ (N=10)						
	Means	S. D.	Kanyakumari	Tirunelveli	Madurai	Coimbatore	Nilgris
Kanyakumari	0.3173	0.26114	1.000000	-0.235856	-0.058934	0.558749	0.497193
Tirunelveli	1.4416	0.25267	-0.235856	1.000000	0.028862	-0.677744	0.292814
Madurai	2.3574	0.53686	-0.058934	0.028862	1.000000	0.369956	-0.337952
Coimbatore	31.2815	2.27427	0.558749	-0.677744	0.369956	1.000000	-0.246133
Nilgris	113.0072	16.07194	0.497193	0.292814	-0.337952	-0.246133	1.000000

It is clear from Table 8.1 that there exists high positive correlation between Kanyakumari district and Coimbatore district as for as the production of tea in different periods. Low positive correlation existed between Tirunelveli and Nilgris districts.

It is further analysed related to t test of independent variable to know the comparative consistently in the growth over a period of time. The result of the analysis is stated in Table 8.2 as follows:

TABLE 8.2: DISTRICT-WISE TEA PRODUCTION IN TAMILNADU (t test Analysis)

District	Test of means against reference constant (value)							
	Mean	S. D.	N	S. E.	Reference	t-value	df	p
Kanyakumari	0.3173	0.26114	10	0.082578	0.00	3.84241	9	0.003952
Tirunelveli	1.4416	0.25267	10	0.079900	0.00	18.04250	9	0.000000
Madurai	2.3574	0.53686	10	0.169769	0.00	13.88592	9	0.000000
Coimbatore	31.2815	2.27427	10	0.719187	0.00	43.49564	9	0.000000
Nilgris	113.0072	16.07194	10	5.082394	0.00	22.23504	9	0.000000

It is clear from the table that t value is low for tea production in Kanyakumari district which shows that there is comparatively high consistency with respect to production for different periods of the study.

DISTRICT-WISE AVERAGE YIELD OF TEA IN TAMILNADU

The Table 9 shows the District-wise average yield of tea in Tamilnadu from 1998 to 2007

TABLE 9: DISTRICT-WISE AVERAGE YIELD OF TEA IN TAMILNADU (kgs Per Hectare)

District/Year	Kanyakumari	Tirunelveli	Madurai	Coimbatore	Nilgiris	Total
1998	301	1455	2485	2589	1775	1890
1999	302	1559	2486	2767	1711	1888
2000	316	1238	2734	2791	1575	1772
2001	270	2224	3239	2653	1559	1751
2002	326	2115	1355	2312	1830	1893
2003	233	2073	2092	2489	2166	2203
2004	187	1818	2372	2507	2092	2146
2005	263	2075	3126	2624	1901	2022
2006	200	1533	2103	2796	1881	2014
2007	226	1663	3871	2549	1886	1995

Source: Statistical Report of Tea Board

It is clear from Table 9 that Madurai and Coimbatore districts have comparatively highest yield per hectare. In Madurai District average yield was 2485 kgs per hectare in 1998 and it reached to 3871 kgs per hectare in 2007 and in Coimbatore District average yield was 2589 kgs per hectare in 1998 and it reached to 2549 kgs per hectare in 2007. The lowest average yield per hectare was recorded for Kanyakumari District which was 301 kgs per hectare in 1998 and it reached to 226 kgs per hectare in 2007. Yield per hectare was moderate for Nilgiris and Tirunelveli districts. In 1998 the average yield of Nilgiri district was 1775 kgs per hectare and it reached to 1886 kgs per hectare in 2007. In Tirunelveli District the average yield of tea was 1455 kgs per hectare in 1998 and it reached to 1663 kgs per hectare in 2007.

Average yield of tea in different districts are analysed through correlation analysis and the result of it is stated in Table 9.1 as follows:

TABLE 9.1: DISTRICT-WISE AVERAGE YIELD OF TEA IN TAMILNADU (Correlation Analysis)

District	Correlations Marked correlations are significant at $p < .05000$ (N=10)						
	Means	S. D.	KK	Tirunel.	Madurai	Coimb.	Nilgiris
Kanyakumari	262.400	49.2188	1.000000	-0.116779	-0.189120	-0.023108	-0.659259
Tirunelveli	1775.300	334.3960	-0.116779	1.000000	-0.081443	-0.607748	0.291939
Madurai	2586.300	703.1532	-0.189120	-0.081443	1.000000	0.338856	-0.268360
Coimbatore	2607.700	153.5557	-0.023108	-0.607748	0.338856	1.000000	-0.499929
Nilgiris	1837.600	196.4667	-0.659259	0.291939	-0.268360	-0.499929	1.000000

It is clear from Table 9.1 that there exists high positive correlation between Coimbatore district and Madurai district as far as the yield of tea in different periods. Low positive correlation existed between Kanyakumari and Tirunelveli districts.

It is further analysed related to t test of independent variable to know the comparative consistency in the growth over a period of time. The result of the analysis is stated in Table 9.2 as follows:

TABLE 9.2: DISTRICT-WISE AVERAGE YIELD OF TEA IN TAMILNADU (t test Analysis)

Districts	Test of means against reference constant (value)							
	Mean	S. D.	N	S. E.	Reference	t-value	df	p
Kanyakumari	262.400	49.2188	10	15.5643	0.00	16.85904	9	0.000000
Tirunelveli	1775.300	334.3960	10	105.7453	0.00	16.78845	9	0.000000
Madurai	2586.300	703.1532	10	222.3566	0.00	11.63132	9	0.000001
Coimbatore	2607.700	153.5557	10	48.5586	0.00	53.70216	9	0.000000
Nilgiris	1837.600	196.4667	10	62.1282	0.00	29.57754	9	0.000000

It is clear from the table that t value is low for yield in Madurai district, which shows that there is high consistency with respect to yield for different periods of the study.

The researcher further analysed the district wise average yield of tea in Tamilnadu with the help of hypothesis analysis (t test). In this regard the following hypothesis are framed

Ho₁: Average yields of tea in Kanyakumari district and Tirunelveli District are significantly same.

Ho₂: Average yields of tea in Kanyakumari district and Madurai District are significantly same.

Ho₃: Average yields of tea in Kanyakumari district and Coimbatore District are significantly same.

Ho₄: Average yields of tea in Kanyakumari district and Nilgiri District are significantly same.

TABLE 9.3: ANALYSIS OF DISTRICT WISE AVERAGE YIELD (Paired Sample Test)

Pair	Comparison	Paired Differences				t	df	Sig. (2-tailed)	
		Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
					Lower				Upper
Pair 1	KK - Tirunelveli	-1512.90000	343.63820	108.66794	-1758.72396	-1267.07604	-13.922	9	.000
Pair 2	KK - Madurai	-2323.90000	714.09888	225.81789	-2834.73557	-1813.06443	-10.291	9	.000
Pair 3	KK - Coimbatore	-2345.30000	162.33029	51.33334	-2461.42409	-2229.17591	-45.688	9	.000
Pair 4	KK - Nilgiris	-1575.20000	231.88685	73.32906	-1741.08186	-1409.31814	-21.481	9	.000

Table value (t table) at 5% level of significant = 3.25 (9 degrees of freedom)

RESULT

Since the calculated value of t is high for all hypothesis, they are rejected. Hence the average yield of tea is not significantly same for Kanyakumari and Tirunelveli (Ho₁), Kanyakumari and Madurai (Ho₂), Kanyakumari and Coimbatore (Ho₃) and Kanyakumari and Nilgiri (Ho₄).

SALE OF TEA

The Table 10 shows the sale of leaf tea and dust tea from Coonoor auction from 1998 to 2007

TABLE 10: SALE OF TEA FROM COONOR AUCTION

Year	Quantity of Tea (M.Kgs)				Total	
	Leaf		Dust		Sales	Index of Growth
	Sales	Index of Growth	Sales	Index of Growth		
1998	58.494	100.00	12.353	100.00	70.848	100.00
1999	70.086	119.82	09.199	074.46	79.285	111.90
2000	59.069	100.98	11.898	096.31	70.967	100.16
2001	59.014	100.88	15.541	125.80	74.555	105.23
2002	47.284	080.83	13.381	108.32	60.655	085.61
2003	31.081	053.13	09.505	076.94	40.586	057.28
2004	31.436	053.742	12.843	103.96	44.279	062.49
2005	41.614	071.14	16.589	134.29	58.203	082.15
2006	37.392	063.92	15.258	123.51	52.650	074.31
2007	37.736	064.52	15.558	125.95	53.294	075.22

Source: Statistical Report of Tea Board

It is clear from Table 10 that in 1998 the total sale of tea from coonoor auction was 70.848 m.kgs, and it reached to 53.294 m.kgs in 2007. Sale of Tea from Coonoor Auction is analysed through correlation analysis and the result of it is stated in Table 10.1 as follows:

TABLE 10.1: SALE OF TEA FROM COONOR AUCTION (Correlation Analysis)

Types	Correlations Marked correlations are significant at p < .05000 (N=10)			
	Means	S. D.	Leaf	Dust
Leaf	47.32060	13.56844	1.000000	-0.272430
Dust	13.21250	2.56024	-0.272430	1.000000

It is clear from Table 10.1 that there exists negative correlation between leaf tea and dust tea as for as the sale of tea from Coonoor Auction.

It is further analysed related to t test of independent variable to know the comparative consistency in the growth over a period of time. The result of the analysis is stated in Table 10.2 as follows:

TABLE 10.2: SALE OF TEA FROM COONOR AUCTION (t test Analysis)

Types	Test of means against reference constant (value)							
	Mean	S. D.	N	S. E.	Reference	t-value	df	p
Leaf	47.32060	13.56844	10	4.290716	0.00	11.02860	9	0.000002
Dust	13.21250	2.56024	10	0.809619	0.00	16.31941	9	0.000000

It is clear from the table that t value is low for sale of leaf tea from Coonoor Auction which shows that there is comparatively high consistency with respect to sale of dust tea for different periods of the study.

AVERAGE PRICE OF TEA IN TAMILNADU

The Table 11 shows the average price of tea in Tamilnadu from 1998 to 2007.

TABLE 11: AVERAGE PRICE OF TEA IN TAMILNADU

Year	Average Price (Ra./Kg)				Total	
	Leaf		Dust		Avg. Price (Rs.)	Index of Growth
	Avg. Price (Rs.)	Index of Growth	Avg. Price (Rs.)	Index of Growth		
1998	65.99	100.00	60.63	100.00	65.06	100.00
1999	53.75	081.45	50.24	082.86	53.34	081.98
2000	39.09	059.23	38.55	063.58	39.00	059.94
2001	41.75	063.26	40.39	066.61	41.47	063.74
2002	36.57	055.41	37.55	061.93	36.78	056.53
2003	33.95	051.44	36.51	060.21	34.55	053.10
2004	42.66	064.64	44.84	073.95	43.30	066.55
2005	36.03	054.59	46.58	076.82	45.66	070.18
2006	47.77	072.38	48.55	080.07	49.55	076.16
2007	44.19	066.96	47.45	78.26	48.55	074.62

Source: Statistical Report of Tea Board

It is clear from Table 11 that the average price of tea in Tamilnadu was varying from year to year. In 1998 the average price of leaf tea was Rs.65.99, the average price of dust tea was Rs.60.63 and it reached to Rs.44.19 for leaf tea and Rs.47.45 for dust tea in 2007.

Average price of tea in Tamilnadu was analysed through correlation analysis and the result of it is stated in Table 11.1 as follows:

TABLE 11.1: AVERAGE PRICE OF TEA IN TAMILNADU (Correlation Analysis)

Types	Correlations Marked correlations are significant at p < .05000 (N=10)			
	Mean	S. D.	Leaf	Dust
Leaf	44.17500	9.679646	1.000000	0.906723
Dust	45.12900	7.326908	0.906723	1.000000

It is clear from Table 11.1 that there exists high positive correlation of the average price of leaf tea and dust tea

It is further analysed related to t test of independent variable to know the comparative consistency in the growth over a period of time. The result of the analysis is stated in Table 11.2 as follows:

TABLE 11.2: AVERAGE PRICE OF TEA IN TAMILNADU (t test Analysis)

Types	Test of means against reference constant (value)							
	Mean	S. D.	N	S. E.	Reference	t-value	df	p
Leaf	44.17500	9.679646	10	3.060973	0.00	14.43169	9	0.000000
Dust	45.12900	7.326908	10	2.316972	0.00	19.47758	9	0.000000

It is clear from the table that t value is low for average price of tea leaf which shows that there is comparatively high consistency with respect to average price of tea dust for different periods of the study.

FINDINGS OF THE STUDY

The following are the important findings of the present study.

Tea estates, tea cultivation areas in Tamilnadu are differing from year to year. Tea production was remarkably increasing every year. The growth of average yield of tea in Tamilnadu was remarkably increasing every year. Nilgris, Coimbatore, Madurai, Tirunelveli and Kanyakumari are the important tea producing Districts in Tamilnadu. Nilgris District stands first in terms of number of tea estates, tea cultivation area and tea production. Madurai and Coimbatore districts have comparatively highest yield per hectare. There exists high positive correlation between Kanyakumari district and Madurai district as for as the area under tea cultivation in different periods. Low positive correlation existed between Tirunelveli and Nilgris districts. It is clear from the table that t value is low for yield in Madurai district which shows that there is high consistency with respect to yield for different periods of the study. Since the calculated value of t is high for all hypotheses, they are rejected. Hence the average yield of tea is not significantly same for Kanyakumari and Tirunelveli (Ho₁), Kanyakumari and Madurai (Ho₂), Kanyakumari and Coimbatore (Ho₃) and Kanyakumari and Nilgri (Ho₄). There exists negative correlation between leaf tea and dust tea as for as the sale of tea from Coonoor Auction. It is clear from the table that t value is low for sale of leaf tea from Coonoor Auction which shows that there is comparatively high consistency with respect to sale of dust tea for different periods of the study. High positive correlation of the average price of leaf tea and dust tea. It is clear from the table that t value is low for average price of tea leaf which shows that there is comparatively high consistency with respect to average price of tea dust for different periods of the study.

SUGGESTIONS OF THE STUDY

The following are the important suggestions of the study:

Tea estates, tea cultivation areas in Tamilnadu are differing from year to year, so Government may take necessary steps through Tea Board to increasing the tea cultivation area in Tamilnadu. Nilgri district stands first place for tea production in Tamilnadu, so Tea Board may take necessary steps to increase the tea production for other districts of Tamilnadu. High positive correlation of the average price of leaf tea and dust tea. It is clear from the table that t value is low for average price of tea leaf which shows that there is comparatively high consistency with respect to average price of tea dust for different periods of the study.

CONCLUSION

Tea industry plays a significant role in the economic development and enhancing the employment opportunities and to produce the tea for the requirement of the society. It is clear from the analysis that tea cultivation area, production and yield of tea in Tamilnadu are in an increasing trend. It also shows that reasonable amount of subsidies was provided by the Tea Board to tea cultivators and tea manufacturers.

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ADVERTISING: A SUBVERSION OF MEANINGFUL LIVING

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ABSTRACT

In the contemporary era of globalisation and market economy, the most common methodology adopted by the corporate houses is to foster consumption among people and, thereby, to maximise the profits through increased demand. This process is conveniently called marketing. Today advertising appears to be everywhere: on television, on billboards, in newspapers and magazines. Corporations pay enormous sums for "naming rights" of public facilities so that their brand is kept in people's minds. Marketing research devises ever more sophisticated means of reaching the public and shaping people's preferences. But most of the time this process is nothing else but propaganda and a bundle of concealed lies aimed at luring the people into a trap. This kind of commercial practice intended to cultivate a new kind of hyper consumerist culture is ecologically unsustainable, culturally hollow, socially unviable and economically lopsided. It subverts everything that human beings cherish so dearly – democracy, freedom, equality, fairness and individuality. It pollutes their sensibility and imagination. So the dirty culture of consumerism driven by the paddles of advertising, which thrives on selling lies and fraud to the innocent people need to be checked or regulated, if not eliminated completely. My research paper makes an attempt to look at the various cultural fall outs of this culture of consumerism propelled by advertising, and tries to underline an urgent need for a counter culture based on needs instead of a culture of greed. Only a need based culture can ensure peace, happiness and sustainability.

KEYWORDS

advertising, marketing.

INTRODUCTION

The present historical juncture, with its nearly total acceptance and ascendancy of the culture of corporate capitalism riding on the unholy wings of advertising as its support mechanism, suggests a definitive dangerous shift. Whereas on the one hand this unholy alliance of corporatisation and advertising threatens the very substance of democracy as a political philosophy or instrument fundamental to the most cherished ideals of freedom, equality and justice; on the other it subverts the very meaning and purpose of life. With the neo-liberal culture and values assisted by the Western sponsored agencies of WTO, IMF and World Bank gaining a monstrous hold over all the instruments and institutions of social, cultural and economic change, the neo-liberal capitalism has completely substituted market relations for the rule of justice and law, substantially deflating the power of nation states, civil society or individuals for any kind of ethical intervention. In such a situation it becomes more difficult for educators, students, and citizens to address the social and moral issues in dialogic and political terms in the face of loud claims and counter claims of advertising Gurus. Underlying such a discourse is the need to interrogate the ever-growing influence of advertising, feeding the insatiable greed of the neo-liberalism, corporate power, and corporate politics, and thus alters the basic ethics of living.

OBJECTIVES

This article tries to examine the fundamental shift in society as a consequence of the inter-connections between corporate culture and advertising. The paper argues that the ways in which we are currently being asked to reimagine the concept and meaning of life can well be one of the most important indicators of a dangerous shift in public discourse. The paper also underlines the view that the struggle to reclaim an authentic meaning of life in its true spirit must be seen as part of a broader contest over the defence of democratic ideals of equality, individual freedom and justice. Today when the entire youth is in the horrible grip of advertising as the only viable mode of education for living, there is an urgent need to relook at the sad shift in the directionality of life in general and the sensibilities of the people at large as a result of advertising on human imagination.

DISCUSSION

Today what we confront today is a different kind of reality. It is called a 'Brave New World' of globalisation. It is driven, more or less, by a singular ideology. This ideology is called free market or market economy. It has created a new mythology, a new religion. This religion is worshipped at the altar of consumerism. India too has adopted this ideology and liberalised its economy for global market. The main aim of this market economy is the promotion of a new "culture of materiality", "culture of greed" (Shiva, The Hindu). This ideology thrives on the increasing demand and sale of its products, and to maximise the profits. To achieve this aim of creating demand and making profits, the big companies and production houses try to control the behaviour of the consumers, by whatever means possible, exploiting the potential weakness that exists in human imagination. This process is today hailed as advertising. It is our imaginations that advertising exploits by telling stories and suggesting morals to be learnt. This ideology of consumerism uses advertising to serve its contrived sermons so as to control the minds and imagination of its potential consumers.

But I don't think that the advertising serves any useful or meaningful purpose in the process of life. The world of advertising is an artificial and fake world. People generally earn their livelihood by doing some useful work to fulfil their material needs. They also engage themselves in the societal pursuits for a more meaningful existence on the face of the earth in their spare hours. However the advertising deflects the attention of the people from these noble pursuits and confines their causes and cares to the material existence alone. Madonna's lyrical voice gives a true reflection to this new age *Mantra* in a song:

Each possession you possess helps your spirits soar
 Something's better than nothing, yes!

But nothing's better than more, more, more

Advertising people create demand for the product where it is not even needed at all. They concoct and create want where want does not exist. The more useless and undesirable the thing, the greater is the effort in advertising to push it down the throats of people. The poor consumers have to share the cost of advertising as well. In fact we do not find anyone promoting the things which are urgently needed for essential living. Tobacco and cosmetics are the biggest markets for advertising. It is nothing else but a mischief played on the minds of the simple people.

Advertising also corrupts our sensibilities and sensitivities. When everything in life has been reduced to a commercial commodity, all beautiful things of life like love, nature, art, painting, literature and language lose their meaning and relevance. The entire world of aesthetics is also corrupted by the people in advertising to lure and entice people to their nefarious designs. Even instinctuality and spirituality, the two cherished emotions, lose their value and are reduced to serve some utilitarian cause. Twitchell has rightly put it like: "Consumerism is wasteful, it is devoid of otherworldly concerns, and it lives for today and celebrates the body. It encourages recklessness, living beyond one's means, gambling (Twitchell 4)." In Brave New World, a great work of fiction written by Aldous Huxley, the present is regarded higher than any spiritual state of mind. When John asks, "Is there any hope? (Huxley 89)" in referring to his dying mother, the nurse is confused and asks, "Do you mean of her not dying. No, of course there isn't. When somebody sent here, there's no... (Huxley 89)" she is stopped by John's expression of distress and nonchalantly asks, "Why, whatever is the matter (Huxley 89)." This shows a complete disregard even for death in the brave new world

and how it is overtaken by materialistic things for the good of society. Instead of holding services and a proper burial for people who die, death is looked at as an industry, in which phosphorus is returned to the soil. This is the only way to give some meaning and purpose to one's death in this brave new world.

Today on the entire landscape, roads and trees we find a vulgar display of advertising billboards glaring at us all the time. The whole beauty of nature and space has been marred by these ugly lies. The famous and celebrated people are hired by the advertising agencies to sponsor their products. These big people change their brands like their clothes. One day we find a famous celebrity sponsoring one product, a drink, in exchange for a huge pay package. We should not be alarmed to find the same celebrity appearing on our television screens holding another product of a rival company and flaunting it as the best one without any shame or compunction. The beautiful faces and the beautiful art of language are shamelessly used to spread lies and to create false images in the minds of the people. Even the gifted intellectuals and artists have been lured into the world of advertisement to coin new clichés and images for the false propaganda of the corporate houses. The noble aim of 'art for art sake' has been totally shunned or side-lined in the unholy quest to make a few bucks. The famous phrase "When the going gets tough, the tough gets going" is conveniently reshaped and re-coined as "When the going get tough, the tough go shopping. And sometimes even get happy (Twitchell 1)." Advertising has hired the best of minds to befool the masses. As a consequence what we find is a crazy youth preferring goods above religion, family, and education; visiting malls and cafeteria over temples.

When the advertising world has taken over the modern youth, especially the ones with an easy access to the information technology, in its fold; women are the worst victims. The advertising agencies funded and financed by cosmetic industry hold beauty contests and fashion shows. The beautiful girls are attracted to the modelling profession. These beauty queens are employed to advertise and promote the sale of certain products. But this entire process of defining beauty and glamour has polluted the minds of the people. The little do these people realise what effect it has on the impressionable young minds who are not blessed with a beautiful face or body. The notion of beauty propagated by these beauty product companies leave behind a trail of woes and a sense of shame in the minds of the less fortunate young girls. The standard that the media sets is impossible to reach (Richins 71). But this falsification of reality leaves behind a trail of inadequacy. The difference between the images flashed on our TV screens and the actual reality of one's physical sometimes results in creating a sense of lower self-esteem, (Tiggemann 23). Often these images lead to unhappiness and neuroticism (Richins 71). It is this ugly craze to look beautiful that has made so many young ladies line up before the surgery saloons for a plastic surgery on their faces. This violence on human body to acquire a certain standard of beauty propagated through advertising images is nothing but a criminal act. In addition to this there are so many young girls who are lured into this glamorous world of fashion and beauty. When they fail to make a mark, they are left into a dark world of dejection and frustration. Just to sell a few soaps and creams, and of course to earn crores, so many young lives are ruined.

There is a substantial amount of research available today to show the horrible consequences of the objectification of women in advertising. This objectification of women in advertising clearly creates stereotypes about women's status and roles in society. Much of what appears in the advertisement promotes the idea of a domesticated woman painted in a "decorative" manner, focusing on the female figure and sex appeal, (Reichert, Issues, 171). This type of advertising has both long-term and short-term effects on people (Reichert, Issues 172). Impressionable minds of the children view these images on media and absorb the roles of different genders in society through exposure to media (Reichert, Issues 173). In addition to this, these sexist or objectifying images of women, when consistently viewed in advertisements, can change how people view themselves, sometimes affecting ambition and worthiness (Reichert, Issues 173). Since sex has always fascinated people's behaviour, young smart women are often used or misused to lure the people to a certain product through sex appeal. At the psychological level these visuals create a negative effect on man woman relationship. Research has also proved that by presenting women as both sex objects and victims, society is desensitized to violence against women (Bessenoff 580). Some of the scholars of sociology attribute the recent spurt in violence and rapes against women to this tendency of the media to show women as a symbol of sexual objectification.

The most devastating effect of advertising is on the young innocent children. 'Catch them young' is a common grammar of the advertising industry. Influenced by the beautiful imagery of the ads, the children tend to create their own world view which views happiness as a direct consequence of the material gratification. This negative mind set, which refuses to acknowledge anything higher in life and reduces it to a mere material fulfilment, is the biggest threat to an authentic living. Children tend to take everything as it appears through the 'rich world' of images and messages unfolding before them. Children are not aware of hidden agenda or strategy of marketing. Impelled by this surreal world they start making all kinds of demands on their parents. Lucy Hughes, the director of strategy for the large communications management company, Initiative Media, has done extensive research developing advertising strategies to exploit what she calls the "Nag Factor" (Hughes, 122)." In an interview, Hughes reports that "anywhere from 20 percent to 40 percent of purchases would not have occurred unless the children had nagged the parents (121)" Greater demand for junk food among children is a dangerous offshoot of this demon of food ads. One of the main reasons for the rise in obesity among children these days is the excessive consumption of junk food and fast food. Indian children may not be aware of "Lassi" which has a greater nutritious value, but they all are well acquainted with all the brands of cold drinks, MacDonald Pizzas and K C F products available in the markets. Since innocent children today in general are more susceptible to the ad world of images, in such a situation it becomes the responsibility of the parents to guide them through this wild maze of false dreams. Nowadays, with so much easy access and exposure to all shades of media, the parents need to be constantly watchful about what their children are watching. Some of the countries have prohibited the marketing and advertising companies from targeting children below the age of twelve.

Advertising industry perpetuates and thrives on the myth that the ultimate gratification and fulfilment can be obtained through consumption. This is a dangerous hypothesis which is not only anti-nature but anti-social and anti-culture as well. This falsification has the potential to pollute everything from our imagination to our simple pleasures achieved through the warmth of human emotions. This tendency ultimately affects our entire edifice of human relationships, camaraderie and socio-cultural bonds. The traditional cultural values of our society today are already under duress in the face of this onslaught of the power of corporate politics and the impact of mass media. These materialistic and consumerist tendencies have reduced us only to a number striving hard to live up to an image projected in media through advertising. In this crazy world man has been reduced to what he wears, what he eats and what he drives. What he thinks has become absolutely irrelevant. We have almost lost the sense of self-awareness and self-esteem. There is always a feeling that we are not good enough because we do not adequately fit into the model perpetuated by the advertising world. We are either too fat, too thin, too tall, too short, too smart, too dumb, too poor, or too unlucky. Uneasiness has become our fate.

Our society is finding itself in complete bondage of an oppressive power structure of media generated images and illusions. Holding the credit cards inside their deep pockets, the modern generation goes out to locate a perennial theme of happy living in Malls and Big Bazars. Little do they realise that it is a deep pit of consumerism in which we have been trapped by the commercial advertisements and their 'pleasant' dreams. Most people do not realize that consumerism offers only short-term ego-gratification for those who can afford the luxury. In actuality it is nothing but an incomplete system of false values, and a poor substitute for our rich cultural heritage, music, literature and art.

CONCLUSION

Consumerism perpetuated through advertising has created a strange stranglehold in every walk of our life. It has affected every layer of life, be it economy, be it society, be it aesthetics or be it environment. The biggest problem with advertising is that much of what is said or flashed across is false and misleading. Not only do people become deceived by the images they visualise on screen, but in the process their moral and cultural values degenerate as well. Women and children are the worst sufferers. However the fact is that no society can sustain itself feeding itself on the false images created by the agents of greed for profit. Man does not live around material possessions alone. Today there is an urgent need to look for an alternate model of living which can ensure a more sustainable and more authentic mode of life for the global citizens. This also means that we will have to learn to shun the path of falsity and imagery and try to refocus our energies on the real existential issues. Advertising is certainly a myth making which must be properly controlled and regulated, if not eliminated completely, by removing the veils of falsehood from its 'beautiful' face.

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ANALYZING CUSTOMERS' PREFERENCES IN SELECTING HOTEL SEGMENT: AN EMPIRICAL CASE STUDY**DR. BIKRANT KESARI****ASST. PROFESSOR****FACULTY IN DEPARTMENT OF MANAGEMENT STUDIES****MANIT****BHOPAL****PRYAS JAIN****STUDENT****DEPARTMENT OF MANAGEMENT STUDIES****MANIT****BHOPAL****ABSTRACT**

The constant transformation has made the Indian hotel industry more functional and practical and has gained a level of acceptance world over. The standards of facilities and services offered have evolved over the last decade towards the extensive use of technology, environment friendly services, pricing, market segmentation, regional preferences, etc. The Indian hotel industry has seen a significant growth in room inventory across categories from upscale luxury to limited services and, boutique and budget hotels. The occupancy and the room rates have seen continued gains both from the domestic and the international traveler in both the business and leisure segment. This article discuss about the segmentation of hotel industry for providing better service to the customer in different class. This study empirically investigates the most important factor that is considered by the customer in selection of hotel for comfort accommodation. Sample of 39 tourists coming to Bhopal city for different purpose were selected randomly for the study, and it also focus on important dimension that attract the customer in choosing the best and appropriate hotel segment. The study concludes that customer make selection on the hotels by online website, suggestion of taxi driver and recommendation of some past customer also influencing in selecting the hotel segment.

KEYWORDS

Hotel segment, customer preference.

INTRODUCTION

With the continued growth in India's GDP, improvement in the per capita income, and increased aspirational spending, the Indian hospitality sector is expected to grow faster than most countries around the world. According to the Consolidated FDI Policy, released by DIPP, ministry of Commerce and Industry, government of India, the government has allowed 100 per cent foreign investment under the automatic route in the hotel and tourism related industry. The inherent strength of the Indian economy has led to increased international visits to India. For foreigners, the travel time has increased to three-five days for business travel and from five days to seven days and ten days for leisure travel. The government of India has announced a scheme of granting tourist visa on arrival (T-VoA) for the citizens of Finland, Japan, Luxembourg, New Zealand and Singapore.

The government has stepped up various reforms to accelerate the industry growth with liberalization in the regulatory framework, investment friendly schemes, extensive support for creating a world class infrastructure, initiating better air and land connectivity, incentivizing regional set-up in tier III and IV cities, exploring the untapped geographical resources. Currently 29 mega tourism projects are being initiated across 22 states. The government is focusing on the PPP and is looking beyond the traditional tourism. But, still more concrete measures such as uniformity of state and municipal taxes, single window clearances, improvising lower bureaucracy in effective planning and execution, and safe and secure environment will be critical to the industry's growth.

Federation of Hotel and Restaurant Associations of India states that India currently has over 200,000 hotel rooms spread across hotel categories and guest-houses and is still facing a shortfall of over 100,000 rooms. Leading hotel brands have pepped up their investments and are in various stages of commencement of new proprieties in India, both in metro and non- metro cities. Cities such as Hyderabad, Pune, Jaipur and Chandigarh have emerged as growth markets. The emergence of these secondary and tertiary cities has led to an aggressive increase in hotel development activity, which was previously dependent in just five main cities. Another trend that has now emerged in the various major markets is the growth of micro-markets, especially in the larger cities like Delhi, Mumbai, Chennai, etc., where travel time has increased.

The Indian hotel industry is seeing huge spurt of foreign investment and international brands entering the fray. Most major international hotel brands such as Starwood, Hilton, Marriott, Hyatt and Accor already have a growing presence in India and they have an even stronger pipeline. Marriott International operates 11 properties across the country and plans to expand its network to 100 hotels over the next five-years. ITC Hotels also have projected its plan to open 25 new hotels under the Fortune brand over the course of next 12-18 months. The emergence of branded budget and economy segment hotels present tremendous opportunities. Keys Hotels, a brand of Berggruen Hotels, is setting up a leading chain of mid-market hotels, resorts and service apartments across India and plans to open and manage 40 hotels over the next five years. So does, Ginger Hotel also plans to open 60 to 70 budget hotels in 23 locations across the country.

LITERATURE REVIEW

Eun Min PARK & Young Ook KIM (2012) in his analysis of urban hotel location focusing on market segment and local & foreign guest preference determined that local and foreign guests are influenced by different factors when choosing accommodations this paper demonstrate how a hotel's marketing strategy must distinguish between local and foreign guests, as well as considering the factors that affect a customer's choice, in particular hotel location.

Soultana (Tania) Kapiki (2012) describes that quality in the tourism and hospitality industry involves consistent delivery of products and guest services according to expected standards. The outcomes of the survey suggest focus on quality service; retention of existing guests by exceeding their expectations; continuous quality improvement; employment, regular training and empowerment of service-oriented staff; search for best practices through benchmarking; and, finally, pursuit of quality accreditation through the various schemes, such as the eco-labels, ISO and the EU Foundation for Quality Management.

Austin c. Otegbulu & Odu Tenigbade (2011) identified significant attributes like regular power and water supply, closeness to the city center and good room service are most important in a hotel accommodation.

N.A. Ahmad, S.Y. Kamarudin, A.A.Aziz, M. Bakhtiar and N. Ahmat (2011) described the method that can help an organization to sell the right inventory, to the right customer, at the right time for the right price. This paper conceptualizes the relationship of application of market segmentation and occupancy performance and suggested that Hotel that practice effective market segmentation will have higher occupancy performance compared to other hotel.

Gursharan Jeet Kaur and Gopal Kumar Johari (2010) made an effort to highlight the present scenario of Tourism in India and hurdles that comes in the way for the development of Sustainable Tourism and its related infrastructure. It further highlights the initiatives taken by the Government itself, for attracting foreign incentives and to encourage private sector as well to act as a facilitator by providing supportive infrastructure facilities.

Ruchan Kayaman and Huseyin Arasli (2007) the principal contribution of the study is that it provides important insights into the development and measurement of customer based hotel brand equity. This study also suggest that hotel managers and executives should try to influence; perceived quality, brand loyalty, brand image and brand awareness in their organizations and design their service delivery process by considering relations between customer based brand equity components.

Hanlan, J, Fuller, D & Wilde, SJ (2006), 'segmenting tourism markets: a critical review' the practice of segmenting tourism markets as a vital step in the destination marketing process. This paper argues that the market segmentation process must be driven by the strategic imperatives of the destination. Further, through adopting a creative combination of post-hoc and apriority approaches to segmenting markets, destinations may identify emerging niche markets not yet targeted by competitor destinations.

Kyoo Yup Chunga, Seok Youn Ohb, Seong Seop Kimc, Seung Youb Hand (2004) this paper introduced perspective of market segmentation methodologies for hotel guest room customers these are segmentation by the industry data & benefit segmentation for respective customer.

DIMENSION OF HOTEL SEGMENT IN THE MARKET

In the ultimate mass market, all customers would want the same products and the same services. The opposite would be a completely tailored product or service for each individual. The real world is somewhere in between. How similar are hotel customers? Do they all want a traditional room in a full-service hotel or do some want suites? Do others want a low cost room with limited services or do they prefer a luxury hotel with a full range of services and benefits? Obviously, there are a variety of types of hotel customers. This poses a challenge for the hotel managers. Which customers do you want to serve? Which customers can we best serve? How can we organize those customers into groups or segments, so they can be targeted through our services and marketing strategies? How can we achieve competitive advantage with our targeted customers?

A market segment is simply a group of customers who have common requirements for a product or a service. Different segments have different needs and requirements. Segments require evaluation and adjustment according to their responsiveness to your decisions. Segments also show different patterns of usage in terms of days of the week and seasons. Segments present opportunities for developing strategies which cater to the specific needs and requirements of that segment. Your team will be able to set operating budgets and make capital investments that can improve your levels of service selected attributes. This can help you target segments and result in improved occupancy and, if investments are made wisely, improved profitability for your hotel.

BUSINESS SEGMENT CUSTOMER

Business segment includes people who travel for business reasons. Their travel expenses are usually covered by the companies they work for. Since they travel to conduct business, most of the time, they will travel during the week. However, a small portion (around 10 percent) may travel during the weekends too. The duration of their stay is one to two nights. Many are frequent travelers and represent opportunities for repeat buying. They tend to be the very demanding in terms of overall levels of services, but are generally willing to pay for added value. Travelers in this segment tend to generate around 15 percent of the demand for the hotels in the area.

CORPORATE CONTRACT SEGMENT CUSTOMER

Like business segment, people in this segment also travel for business reasons. However, they are required to stay at hotels that have a contract with the company they work for. Many large corporations have contracts with hotels that guarantees a certain number of room nights in return for discounts. Most of the time, the level of discount they receive depends on the number of room nights they can guarantee to generate; higher the room night, higher the discount. Companies may have contractual rate agreements with more than one hotel in your area. Most of the time, travelers in this segment will travel during the week; only a small portion (around 5 percent) may travel during the weekends. The duration of their stay is one to two nights. Since they have limited options in terms of the number of hotels they can stay, they are not as demanding as business travelers. Travelers in this segment tend to generate around 5 percent of the demand for the hotels in the area.

FAMILY SEGMENT CUSTOMER

Family segment includes families with and without kids who travel for pleasure and leisure activities. Family segment includes families with and without kids who travel for pleasure and leisure activities and are the best segment for selling rooms on weekends (Friday, Saturday, & Sunday). Research suggests that around 80% of them travel during the weekend. Around 10% of the market demand is generated by family segment.

IPORTANCE OF THE STUDY

In this project the researcher tries to find different segments of customers in hotels. The research is conducted in BHOPAL and focused major location of the city. As a capital this city is most important for commercial purpose and government purpose, so presence of hotels can be easily seen here. Bhopal is a growing city, and well in its way of becoming a metro city. Construction of one of the most prestigious hospital, AIMS is an example to growth in Bhopal. Due to this fast growth major players like MERRIOTS have taken interest in the city.

Scope of hotel industry in Bhopal is quite huge. To provide better and quality service to customer we should first understand them. In this research we will try to divide customer in to different segments and will identify unique need and wants of each segment. We will try to determine what lead to the choice of the particular hotel, what they like in the hotel, what extra they want, and what they don't want. This is the main objective of the research, another aspect of the research is the price, we will try to find the price sensitivity of each segment & how it affects them and how much they are willing to pay for the services they get determining an average room tariff that will help in present as well as, future tariff setting, is the secondary objective of the research.

IDENTIFICATION OF THE PROBLEM

It has been seen that every hotel charges each segment equally, irrespective of their needs and wants. Each segment may want different thing in a hotel. If we understand the reason, why a customer selects a hotel, we can use it to provide better services to them.

OBJECTIVE OF THE RESEARCH

PRIMARY OBJECTIVE

- To divide the customer in segment group.
- Why they selected the particular hotel.
- To know the satisfaction level of customer.

SECONDARY OBJECTIVE

- To know the Price sensitivity
- What more each segment group wants in a hotel.

RESEARCH METHODOLOGY

"Marketing research means the systematic gathering, recording, analyzing of data about problems relating to the marketing of goods and services "Marketing research has proved an essential tool to make all the need of marketing management. Marketing research therefore is the scientific process of gathering and analyzing of marketing information to meet the needs of marketing management. The study aims on basic research which intended to expand the body of knowledge for the use of others with a primary objective in dividing the customer in segment group, reason for selecting particular type of hotel and satisfaction level in the bottom side of the research also tried to find out the price sensitivity case and other dimension which attract in each segment of customer.

BENEFITS OF STUDY

There are many benefits related to this study. Some of the benefits of taking this study are as follows:

- We can understand the customers need and wants properly.
- Can provide better services.
- Can plan our tariff rate properly.

PROCESS OF MARKETING RESEARCH

The marketing research is done in systematic process. The researcher have pursued the below process of marketing for the study.

Stage 1: Problem Definition The first and the most important step in marketing research is to define the problem, here problem is to divide customer into different segments and identify the reason for choosing a particular hotel. We will also try to identify price sensitivity of each segment.

Stage 2: Research design Research design indicates the method and procedure of conducting research study. Descriptive research is undertaken where the researcher wants to know the characteristics of group.

Stage 3: Data Collection and Sampling Primary data has been collected for the purpose of the study through survey method which consists of personal interview, telephone interview and mail interview. To conduct the survey, the researcher has selected a combination of structured and unstructured questionnaire as an instrument for gathering valuable information from the customers. Questionnaire, which is used for the survey, is consisting question and checklist questions to check the customer feedback. Sampling units are the tourist visit to Bhopal city. Through simple random sampling method

Stage 4: Data analysis and interpretation After all the above steps are completed now the important step is data analyzing and interpretation. For this researcher has used percentage and regression with the help of SPSS.

ANALYSIS OF DATA

TABLE NO. 1 CUSTOMER SATISFACTION LEVEL

MODEL SUMMARY

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.743 ^a	.553	.489	.525

a. Predictors: (Constant), facilities, room service, reception, cleanliness, comfort, food

The above table shows the adjusted R square, which is .489. This shows that 49% of variability of satisfaction is explained by this model.

TABLE NO. 2 SIGNIFICANCE LEVEL

ANOVA

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	14.322	6	2.387	8.646	.000 ^a
Residual	11.596	42	.276		
Total	25.918	48			

a. Predictors: (Constant), facilities, room service, reception, cleanliness, comfort, food

b. Dependent Variable: satisfaction

Table No.2 predicts the Sig value is .000 which is less than .05. This show that model is useful. It tells us at least one independent variable is a significant predictor of the dependent variable.

TABLE NO. 3 INFLUENCING FACTORS

COEFFICIENTS

Influencing factors	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	1.747	.294		5.946	.000
reception	.172	.113	.273	1.515	.137
food	-.375	.140	-.516	-2.684	.010
room service	.037	.123	.049	.303	.764
cleanliness	-.022	.112	-.033	-.194	.847
comfort	.346	.120	.540	2.874	.006
facilities	.277	.215	.382	1.287	.205

a. Dependent Variable: satisfaction

The above table no. 3 shows that only food and comfort plays an important role in satisfaction as sig, values are .010 for food and .006 for comfort, which is less than .05.

Model also shows that with one unit increase in comfort the satisfaction is increased by .346 units.

TABLE NO. 4: REASON OF VISIT

Reason	Response
Corporate Business	7
Business	19
Families	5
Others	8
Total	39

Source: field survey

Above table interprets that 49% of the costumer visit Bhopal due to business reason. 20% due to personal reason, 13% because of families and 18% because of corporate business.

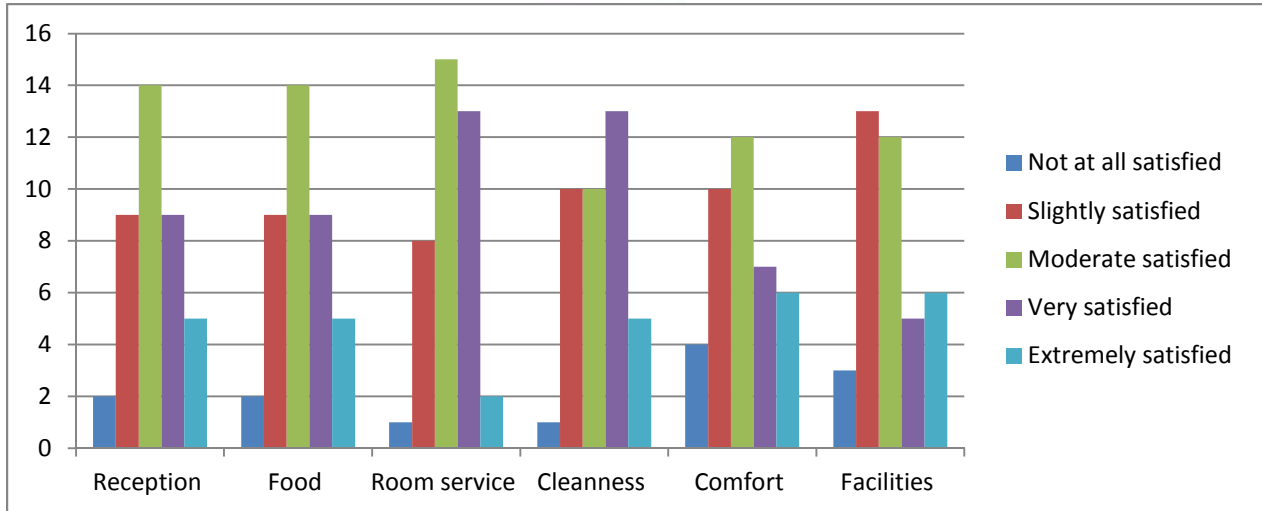
TABLE NO. 5: SATISFACTION LEVEL

satisfactions	Response
Not at all satisfied	2
Slightly satisfied	9
Moderate satisfied	14
Very satisfied	9
Extremely satisfied	5
Total	39

Source: Field Survey

The above table no.5 shows that near about 14% of customers are extremely satisfied from service 24% of the customers covets that they are slightly and less satisfied whereas about one third of the customer are only moderately satisfied. Looking on to the above figure the researcher has focused in to six dimension of satisfaction level and the result are shown in the graph :

GRAPH 1



In the above graph it is clearly visible that customers are moderately satisfied among these entire six factors which considered as important for availing the hotel accommodation whereas if we see each of these factors individually then we can say that in room service there are lesser numbers of extremely satisfied customers and there is a scope of improving in this area. Factors like food, cleanness, comfort & facilities also put major impact in selecting the hotel segment so development in these areas is also required to attract more number of customers.

TABLE NO. 6: SOURCE OF SELECTION IN HOTEL

Source	Response
Recommendation of old customers	18
Auto & Taxi drivers	12
Internet & hotel website	9
Total	39

Source; field survey

In the above shows that majority of the costumers choose the hotel on the recommendation of some past customers who already visited this hotel. Influence of auto & taxi drivers also plays an important role in selection of hotels whereas we have also seen the customers book the room in advance through Internet and hotel website.

TABLE NO.7: IMPORTANCE OF TARIFF IN SELECTING THE HOTEL

Importance	Response
Not at all important	16
Slightly important	10
Moderately important	7
Somewhat important	5
Extremely important	1
Total	39

Source; field survey

The above table shows that only 4% of customers are highly sensitive towards price whereas 52% of customers are somehow give less importance to hotel tariff and for the remaining 44% of customer price is not a big factor in selecting the hotel segment.

CONCLUSIONS

The study provides understanding regarding the needs and wants and their preference in selecting the segment of hotel. The objective of this paper is to determine the most important attribute and variables and find out that the main reason why a costumer selects a hotel and the study conclude that mainly due to recommendation of some past costumer who tell us their pleasant experience in the hotel when they visited Bhopal and also from the internet & hotel website they find out some valuable information regarding the tariff and physical facilities, it is also revealed that taxi & auto driver at railway station, bus stand and airport plays an important role in decision making for selecting the hotel segment according the need of the tourist who are unknown to the city. After analyzed each factor it was perceived that customers were satisfied with the hotel, but there is scope of improvement. According to regression analysis, independent variable comfort plays an important role on dependent variable satisfaction. The findings also noted price doesn't matter for majority of customer. This shows that costumer require better service & facilities in compare to the price they are ready to pay for it. The findings determining the result pertaining to customer preference are vary according to their class and segment in business segment the customer need restaurant, bar & meeting room whereas in case of business corporate segment mostly the preference go for conference hall however in family class customer the basic requirements are food, room service and physical facilities.

RECOMMENDATION

- As we have seen restaurant is a major requirement in the hotel business. The entire segment group wants a restaurant. So focus should be on restaurant and giving the costumers a present experience.
- Hotel should provide better comfort. As seen in our regression analysis comfort plays an important role in satisfaction. Hotel can provide better comfort by giving costumer comfortable bed, pillow, clean n hygienic bed sheets etc.
- To increase the flow of new costumers. Hotel management should have good relation with auto drivers. The auto drivers should be paid good commission, so that they are motivated to bring costumer to our hotel.
- Cleanliness should be focused upon, as many guests were not satisfied with the level of cleanliness. Cleanliness plays a role in comfort, so in a way it's important.

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A STUDY OF RE-INVESTMENT STRATEGY OF FIVE MUTUAL FUNDS WITH SPECIAL REFERENCE TO GROWTH FUNDS

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ABSTRACT

Mutual funds have shown a tremendous growth in India for the last some years. But seldom are the investors interested to know that actually where there hard earned money is further invested. It is not just a fluke that some of the funds multiply the investors' money overnight and some of the funds do not even give a minimal return even after staying for years in the market. So, this paper is just an attempt to know the various strategies, objectives, sectors and companies which are chosen by fund managers to invest the investors' money. 5 Mutual Funds have been chosen on the basis of their category i.e. growth fund. We have used secondary data. In the conclusion part we have come up with reasons that why the some of the mutual fund schemes are performing well beyond the expectations.

KEYWORDS

Mutual Funds, Growth Funds, Investment Portfolio, Fund Managers.

INTRODUCTION

A Mutual Fund is a kind of collective investment where the investors invest their money with a mutual fund company which is managed by fund manager. These funds have different objectives and simultaneously their money is further invested in different sectors and companies by keeping this objective in mind by the fund managers. By putting their money in a mutual fund scheme, investors buy the units of a particular scheme, and the performance of the fund is monitored by the Net Asset Value (NAV) of the fund. The NAV is the value of any particular mutual fund scheme which tells the investors about the performance of the scheme i.e. the appreciation or depreciation of the fund is known by checking its NAV. The company which manages the funds under any mutual fund is called an **Asset management Company (AMC)**. AMCs in India are the members of AMFI, and industry body that has been created to promote the interest of the mutual funds industry. The size of AMC is measured by its AUM i.e. Assets under Management. Initially, in 1964, the AUM of MF Industry was Rs. 25 crores and the industry has grown at such a speed that the size of its AUM at the end of financial year 2011 was Rs. 592250 crores. The graph 1 shows the overall growth of AUM in MF industry.

Mutual Funds are available in various categories as per their structure, nature and objective. **As per structure**, mutual funds types are: Open ended funds (the funds where the investors can invest at any point of time), Close ended funds (the funds which are opened and then closed within a stipulated time) and interval funds (which combines the characteristics of both open ended and close ended funds). **As per nature**, mutual funds types are: Equity funds, Debt funds and balanced funds, which are further divided into different schemes as per their investment objective. **By investment objective**, we have Growth schemes, Income schemes, balanced schemes and Money market schemes.

Regulatory Body of Mutual Funds in India is Securities Exchange Board of India (SEBI). SEBI protects the interest of the investors by formulating policies and regulations for the mutual fund companies.

The history of mutual funds can be bifurcated into four phases where first phase (1964- 1987) is the period where UTI was established by the Act of Parliament. UTI was regulated by RBI till 1978 thereafter it was de-linked from RBI and came under the preview of IDBI. The second phase (1987- 1993) was the period when non UTI mutual funds were set up by public sector. SBI was the first public sector fund established in the year 1987 followed by other public sector banks. Private sector entered the mutual fund industry in the third phase (1993- 2003). The fourth phase (since 2003) segregated the repeal of UTI into two entities. One entity do not come under the purview of Mutual fund regulations and other comes under the purview of mutual fund regulation.

REVIEW OF LITERATURE

Thyagarajan Gomathy (2012) has found in his study the performance of the sample schemes of mutual fund of the three different companies and measured their risk to know risk adjusted rate of return. In this paper, 374 schemes of ICICI Prudential, 287 schemes of HDFC and 213 schemes of Franklin Templeton AMC are studied. The findings of this paper show the performance of mutual fund schemes depends upon the risk adjusted return and not only on returns.

Mehta Yogesh (2012) studied the appraisal of index mutual fund schemes which are rated by credit rating agency. The study found that each fund in all the schemes is having its unique features with regards to portfolio selection and management of portfolio. The studied index funds (HDFC Index funds- SPP and HDFC Index funds –SPP (PA) has performed exceptionally good in the studied period keeping the risk rate low. These funds outperformed the benchmark of BSE and Nifty. The top sectors for investment are Banking, Computer software and OGPR.

Batra G.S, Anjum Bimal, Dhanda Sukhwinder (2012) tried to find the performance appraisal of open ended mutual funds with respect to risk return characters. For this analysis, Treynor ratios, sharpe ratios and beta values are considered. BSE 30 has been used as benchmark to measure the performance. The results showed that all the schemes except one were capable of providing returns to variability. Four schemes have more variability as compared to sensx but these four schemes met the expectations of investors.

OBJECTIVES

Our research is aimed to find out:

1. Where and how a fund manager does re-invest the money invested by the investors under a particular mutual fund scheme?
2. To know about the industries/sectors/companies which gives almost foolproof and guaranteed returns to investors, as it also can act as a guide for the fund managers which industries/sectors/companies to be selected and which not to be selected.

RESEARCH METHODOLOGY

This research is Descriptive in nature. The data is collected mainly through secondary sources like Journals, books, Database like RMIT, Cengage, J-gate, financial newspapers and internet. The data is collected upto 31st March 2012.

OBJECTIVES OF THE SCHEMES

1 IICI Prudential Tax Plan (G): To generate **long term capital appreciation** from a portfolio that is invested predominantly in equity and equity related securities and also enables the investor to get a tax concessions u/s 88

2 HDFC Top 200 (G): To generate **long term capital appreciation** by investing in a portfolio of equities and equity linked instruments drawn from the BSE 200 Index.

3 SBI Magnum Children Benefit Plan (G): To provide **long term capital appreciation** to the investors by investing 80% of its investments in debt instruments and the rest in equity.

4 Reliance Banking Fund (G): The primary investment objective of the Scheme is to seek to generate continuous returns by actively investing in equity / equity related or fixed income securities of banks.

5 Kotak Balance Fund (G): To achieve growth by investing in equity & equity related instruments, balanced with income generation by investing in debt & money market instruments.

ANALYSIS OF DATA

The **table 1** in annexure shows Basic information of the Mutual fund Scheme selected.

From the above table of Return and average return it can be inferred that Growth Funds constantly give a good return over a long period of time. Longer you stay invested, higher you get the returns. From the above studied 5 growth funds, HDFC Top 200 is giving the best returns and it is not performing exceptionally well among the above mentioned funds, but it has earned a very high returns for its investors since inception. The main reason behind it can be the diversified portfolio as it has chosen the companies like **Tata Motors, SBI, ICICI Bank, HDFC Bank, Bharti Airtel and Reliance Industries** etc. The same goes with the ICICI Prudential Tax Plan (G) fund, as it has also more or less the same portfolio and almost same return as compared to HDFC Top 200 (G) fund.

The **table 2** shows the Assets under Management as on May 31st, 2012. The highest demand is of HDFC Top 200 (G) scheme and the AUM under this scheme is Rs. 11,381.06 crores. The next demanded fund is of Reliance Banking Fund (G). Kotak Balance fund (G) is having the least AUM under the scheme.

The **table 3** represents the different companies and industries used for the allocation of the funds assigned under any particular mutual fund scheme. Now this is the area upon which a mutual fund's performance depends. Like any investor, who carefully analyses and investigates the performance of the any mutual fund before investing his or her money in the scheme, a fund manager also needs to carefully analyse and check the various industries and companies where he or she is going to invest the investors' money. By analyzing the above table, it can be safely inferred that the funds which have used the very basic sectors like Banking, Software, Auto and Telecom and companies like ICICI Bank, SBI, HDFC Bank, Tata Motors, Bharti Airtel etc. are performing better compared to those funds who have neglected these companies. Reason behind this growth can be that the in the country like India Banking sector is considered to be a very growing and safe investment. Banking is the need of every one whether it is a student, businessman, housewife, service class, NRI, retired etc. i.e. every aspect of the society is dependent on a sound banking system. And this is where most of the fund managers are encashing on this.

FINDINGS

1. Mutual funds are almost a guarantee of Positive returns.
2. Usually, Longer the period higher the returns.
3. Fund managers rely primarily on banking sector for a good return, which is an indication of sound banking system in India.
4. ICICI Bank, SBI, HDFC Bank, Reliance Industries, Tata Motors and Bharti Airtel are the main growth drivers of our studied mutual fund schemes.
5. Main sectors chosen by all the fund managers are Banking sector and Telecom sector.
6. As per the table of returns over years, it can be concluded that, all the schemes were able to meet the objectives fixed by fund managers i.e. Capital Appreciation.

LIMITATIONS

1. Data of only the ten top industries and top ten companies' of the portfolio was available and considered for this research. The other companies and industries were not considered even though they may have been the force behind the growth of the mutual fund scheme.
2. Some of the critically required information was not available on the company's website, which could have been very vital to explore this research further.

CONCLUSION

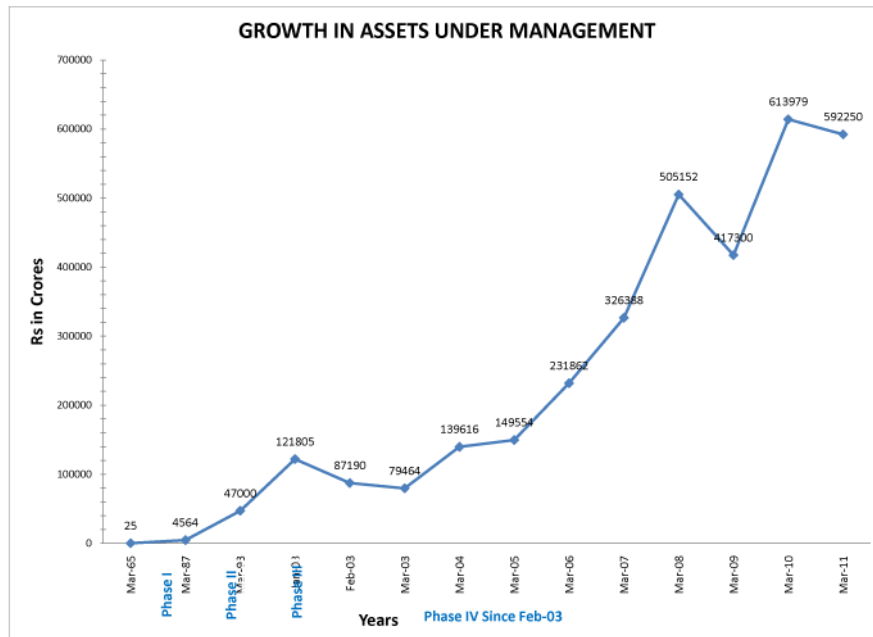
This paper was focused towards finding out the fund managers investment skills and the sectors where by investing a fund manager can give healthy returns to investors. For this purpose, Data was collected from various sources like Company's website, other financial websites, financial newspapers and magazines. The information was analyzed and it is seen that there are a few companies in which the investment is made by all the fund managers. These are ICICI Bank, SBI, HDFC Bank, Reliance Industries, Tata Motors and Bharti Airtel etc. Fund managers primarily go for banking sector as their investment option and mutual fund is a very good option to invest as mutual funds is a guarantee of positive return.

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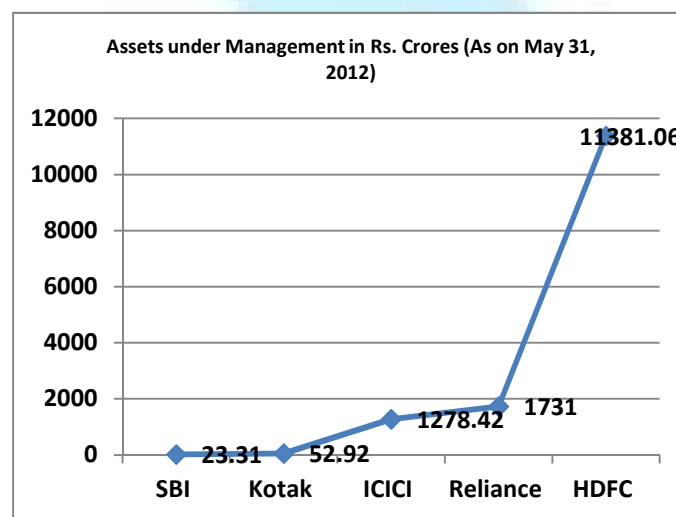
ANNEXURE

GRAPH 1



Source: www.amfiindia.com

GRAPH 2



Assets under Management in Rs. Crores (As on May 31, 2012)

TABLE 1

S. No.	Mutual Fund Scheme Name	Inception Date	Fund Manager	Return (Since Inception)	Avg. Return
1	ICICI Prudential Tax Plan (G)	August 19, 1999	Mr. Chintan Haria	1,258.4%*	96.8%
2	HDFC Top 200 (G)	October 11, 1996	Mr. Prashant Jain	1,730.7%**	133.38%
3	SBI Magnum Children Benefit Plan (G)	February 21, 2002	Mr. Rajeev Radhakrishnan	141.9%*	14.19%
4	Reliance Banking Fund (G)	May 26, 2003	Mr. Sanjay Parekh	837.8%*	93.08%
5	Kotak Balance Fund (G)	November 25, 1999	Mr. Krishna Sanghvi	483.8%*	40.31%

* Returns have been calculated after adjusting the NAVs for dividends & bonus, if any.

** Returns have been calculated from 1st January, 1999.

TABLE 2

S. No.	Mutual Fund Scheme Name	Assets under Management in Rs. Crores (As on May 31, 2012)
1	ICICI Prudential Tax Plan (G)	1278.42
2	HDFC Top 200 (G)	11381.06
3	SBI Magnum Children Benefit Plan (G)	23.31
4	Reliance Banking Fund (G)	1731.00
5	Kotak Balance Fund (G)	52.92

TABLE 3

Mutual Fund Scheme Name	ICICI Prudential Tax Plan (G)	HDFC Top 200 (G)	SBI Magnum Children Benefit Plan (G)	Reliance Banking Fund (G)	Kotak Balance Fund (G)
Industry Allocation (Top-10)	<ol style="list-style-type: none"> 1.Computers – Software 2. Finance - Banks - Private Sector 3. Diversified 4. Pharmaceuticals 5.Telecommunications – Service 6. Oil Drilling And Exploration 7. Metals - Non Ferrous - Zinc/Zinc Alloys – Products 8. Mining/Minerals 9. Engineering – Heavy 10. Finance &; Investments 	<ol style="list-style-type: none"> 1. Finance - Banks - Public Sector 2. Finance - Banks - Private Sector 3. Computers – Software 4. Diversified 5. Cigarettes 6. Oil Drilling And Exploration 7. Auto - LCVs/HCVs 8. Finance – Housing 9. Pharmaceuticals 10.Telecommunications - Service 	<ol style="list-style-type: none"> 1. Telecommunications – Service 2.Printing/Publishing/Stationery 3. Edible Oils &; Solvent Extraction 4.Chemicals - Speciality – Others 5. Diversified 6. Infrastructure – General 7. Engineering – Heavy 8. Personal Care 9. Domestic Appliances – Others 10. Refineries 	<ol style="list-style-type: none"> 1. Finance - Banks - Private Sector 2. Finance - Banks - Public Sector 3. Finance &; Investments 4. Finance - Term Lending Institutions 	<ol style="list-style-type: none"> 1. Finance - Leasing &; Hire Purchase 2. Finance - Banks - Private Sector 3. Computers – Software 4. Diversified 5. Finance - Banks - Public Sector 6. Steel - Alloys/Special 7. Cigarettes 8. Cement – Major 9. Auto - Cars &; Jeeps 10. Food Processing - Dairy
Companies Allocation (Top-10)	<ol style="list-style-type: none"> 1. Infosys 2. Reliance Inds. 3. Bharti Airtel 4. ICICI Bank 5. HDFC Bank 6. ONGC 7. Hind. Zinc 8.Sundaram Finance 9. Wipro Ltd. 10.Piramal Healthcare Ltd. 	<ol style="list-style-type: none"> 1. SBI 2. Infosys 3. ITC Ltd. 4. ICICI Bank 5. Tata Motors 6. Tata Consultancy 7. L & T Ltd. 8. HDFC Bank 9. Bharti Airtel 10. Reliance Indus. 	<ol style="list-style-type: none"> 1. Agro Tech. Foods Ltd. 2. RelianceCommu.Ltd 3.Gammon Infrastructur 4. Page Industries Ltd. 5. Bharti Airtel 6. Reliance Inds. 7. TTK Prestige Ltd. 8. Bharat Heavy Ele 9. ICICI Bank 10.JK Tyre & Industries 	<ol style="list-style-type: none"> 1. ICICI Bank 2. SBI 3. HDFC Bank Ltd. 4. Bajaj Finance Ltd. 5. Federal Bank 6. Bank of Baroda 7. Canara Bank 8. Axis Bank Ltd. 9. OBC 10. Corporation Bank 	<ol style="list-style-type: none"> 1. Shriram Trans. Finance 2. Usha Martin Ltd. 3.Kotak Mahindra Bank 4. SBI 5. Grasim Inds. 6. ITC Ltd. 7. ICICI Bank 8. IndusInd Bank 9. Siemens Ltd. 10. Glaxo SmithKline Cons.

Source: www.money.rediff.com

ASSESSMENT OF LOAN OPERATION AND FINANCIAL PERFORMANCE OF DEVELOPMENT BANK OF ETHIOPIA

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ABSTRACT

The objective of this study was to assess the loan operation and financial performance of Development Bank of Ethiopia. To achieve its objective the study was used panel data extracted from annual reports of the Bank. Trend analysis was used to analyze changes in loan operation from year to year and paired T-test was used to test the significance of the change. The study found that there was high fluctuation in the growth of loan approval and disbursement during before liberalization periods, but there was improvement after liberalization except its occasional decline and the statistical paired T-test output showed significant mean difference in amount between pre and post liberalization except loan approval, but in terms of growth no significant mean difference between pre and post liberalization both in loan approval, loan disbursement and loan collection. Secondly, the study assessed the financial performance of the Bank from two perspectives: i.e., from accounting perspective & from financial self sustainability perspective. From accounting perspective, performance was measured based on ratio analysis. The financial performance indicators both in terms of profitability, efficiency and solvency showed high variability. The comparison of performance ratios with standards of Association of African Development Financial Institutions showed Satisfactory. From financial self sustainability perspective performance was measured by using subsidy dependent index approach, and the finding showed that the Bank was financially self sustainable without subsidy only during 2008 from the periods included in the study.

KEYWORDS

Development Bank, Ethiopia, Financial Performance, Loan Operation, Subsidy Dependent Index

INTRODUCTION

In the recent periods financial institutions are one of the researchable areas in the worlds of research as they are backbones of the economy of a country. This study done on the Development Bank of Ethiopia and the study was designed to assess the loan operation and financial performance of Bank. Collister (2007) stated development banking begin in Continental Europe, were formed first in France, with the credit mobilize in 1852, and then more successfully in Germany and Italy, clearly to hold up industrialization through providing large amounts of financing to growing industries. After World War II, the lack of long - term funding for investment projects encouraged many countries to establish DFIs by using public funds to fill what was identified as a financing gap.

In Kane (1975), cited by Collister (2007), defined the Development Bank as “ a financial intermediary providing long term funds to bankable economic development projects and providing related services”, while Panizza (2004), cited by Collister (2007), outlines considerations of externalities: DBs are “financial institutions primarily concerned with offering long-term capital finance to projects generating constructive impact on the development of the economy and hence under financed by private creditors.” The two remote definitions are about in the same essence of development bank meanings, on the importance of development banks in providing long-term loan.

This study was focused on the assessment of loan operation performance of the Bank, as the primary objective of the Bank is the promotion of the country's economy by providing both medium and long term loans to the viable projects identified by the government. Scott (2007) stated that in contrast to state owned commercial banks(SCB), the main objective of which is to maximize profit, state owned development banks or development financial institutions(SDB/DFI) are expected to pursue public policy mandates by financing the priority sectors of the economy as well meet financial performance objectives.

Apart from loan operation this study again considers the financial performance of the Bank in order to assess its financial performance. Financial performance is a subjective measure of how well a firm can use assets from its primary mode of business and make revenues. This expression is also used as a universal measure of a firm's overall financial health over a specified period of time, and can be used to compare comparable firms across the same industry or to compare industries or sectors in aggregation (www.financialdictionary.com). Jain (1989) found out that the performance of a Development Bank can assess on the basis of 'financial function' and 'development function' criteria. Whereas, the financial function measures its operational efficiency in terms of profitability of its investment operations, the developmental function evaluates its allocation efficiency as reflected by its investment activities for the economic development of the country and the stimulation of the capital market.

The study used subsidy dependent index (SDI) to assess the Banks self sustainability performance. Schreiner and Yaron (1999) stated that the SDI is a summary measure of sustainability. It is the ratio of subsidy received by a DFI to revenue from loans to the target group.

Yaron (2005) stated a SDI of zero means that a SDFI has achieved full self-sustainability. A SDI of 100% that a doubling of the yield obtained on the outstanding loan portfolio (OLP) is required if subsidies are to be eliminated. A negative SDI indicates a SDFI has not only fully-achieved self-sustainability, but its annual profits minus its capital charged at the approximate market interest rate exceed the entire annual value of subsidies (if subsidies were received at all).

REVIEW OF LITERATURE

Jain (1989) assessed the performance of Development Banks on the case of Industrial Development Bank of India in terms of profitability. In his study he analyzed profitability of the Bank with reference to operating earnings, cost of operations, gross and net profit margins on loan portfolio and rate of return and capital appreciation on the securities portfolio. His study concludes with suggested measures to improve its profitability in future.

Murinde and Joramkarisa (1997) conducted study on the financial performance of East African Development Bank based on retrospective analysis with the use of standard financial ratios, arithmetical moments which are the mean, range and standard deviation of balance sheet accounts; and the subsidy dependent index. They revealed that the Banks historical performance is disappointing. They suggested that the Bank should engage proactively in the classification, encouragement and post evaluation of projects.

Tetsuji and Kazuo (2002) conducted study on the performance of Development Banks and they analyzed the performance of reconstruction finance bank in Japan in order to look on the role of Development Banks in fostering economic growth; the study found that the Bank played a significant role in Japan's transition from war-time command economy to a market economy in the early post-war period.

Alexandru and Laurentiu (2008) stated that Bank performance can be assessed based on the indicators that arise from the accounting data expressed on balance sheet and the profit and loss account. They indicated return on equity, return on asset, leverage multiplier, the profit rate, the margin of asset utilization and margin profit can be computed as performance indicators for Banks. They conclude that in order to determine one Bank's activity efficiency these performance indicators must be compared with similar indicators to determine the real Bank's position from the profitability aspect either of using the following three comparison types:

- Comparisons with the same Bank indicators during years following.
 - Comparison with the average indicators of other Banks inside same period frame.
 - Comparison with the intended indicators, when the Bank elaborates strategies on various structural terms in plans which aim to obtain certain profit level.
- Sheehama (2009) evaluated the financial performance of Development Bank of Namibia based on financial criterion with a focus of accounting ratios and in his study he revealed that the Bank shows satisfactory operation in terms of profitability and overall growth of the financial statement items such as asset, income, capital, costs, and liabilities from year to year. And he conclude that profits of the Bank have increased in greater proportion than operating income which indicates that the Bank has been able to reduce operating costs.

SIGNIFICANCE OF THE STUDY

It is important for the management of the Bank by indicating the weak side of the Banks operation and the management team may use it as a base to take corrective actions.

It is useful to the society in providing information about the performance of the Bank.

It is useful for creditors of DBE to analyze its financial position in terms of indebtedness.

The researchers can use the findings of this study as a base for further study on the Bank and may use it as a reference for similar study.

STATEMENT OF THE PROBLEM

In Ethiopia banking business had long history which was started during the period of Minilik II. Even though it is the older business still it is in infant stage. Development Bank of Ethiopia is one of the older Banks started in the early period and played an important role in the economy of the country.

In the financial sector of Ethiopia there were studies done especially on the credit and saving institutions about their financial performance. But no such studies in Development Bank of Ethiopia.

However there were studies which are done in other countries, such as;

Collister (2007) assessed Development Bank of Jamaica's role in the economy of Jamaica by investigate the loans made to each economic sector and he found that the truism sector is the highest beneficiary of the loan as compared to other sectors;

Sathaye and Gadgil (1999) found that the Industrial Development Bank of India plays a significant role in promoting the growth of the industry by assessing the loans made in the industry and investigate its contribution to the overall GDP of the country's economy;

Jain (1989) assessed financial performance of Development Banks in case of Development Bank of India in terms of profitability. In his study he was analyzed the profitability of the Bank with reference to operating earnings, cost of operations, gross and net profit margins on loan portfolio and rate of return and capital appreciation on the securities portfolio;

Sheehama (2009) evaluated financial performance of Development Bank of Namibia based on financial criterion with a focus of accounting ratios and in his study he reveals that Development Bank of Namibia shows satisfactory operation in terms of profitability.

But in case of Development Bank of Ethiopia as per the best knowledge of the researcher there was no study carried out previously in the same issue of this research. Then this study identifies this gap and motivated to do a study in this area, and the researcher proposed to assess the loan operation and financial performance of Development Bank of Ethiopia at national level.

OBJECTIVES OF THE STUDY

The overall objective of the study was to assess the loan operation and financial performance of the Bank.

The specific objectives were the following:

1. To examine the growth in the loan approvals, loan disbursements and loan collections of the Bank in each economic sector from year to year and to examine changes between before and after liberalization in total loan approvals, total loan disbursements and total loan collections;
2. To analyze the financial performance of the Bank and identify the progresses of the Banks financial performance based on the ratio analysis;
3. To compare the Banks financial performance with Association of African Development Financial Institutions prudential financial standards;
4. To investigate financial self-sustainability of the Bank.

RESEARCH HYPOTHESES

The study was done based on the following research hypotheses:

H₁₀: There is no significant mean difference in DBE's loan approval, loan disbursement, and loan collection amounts and growth rates between before and after liberalization of the economy.

H₂₀: There is no good progress in the financial performance of DBE in terms of profitability, efficiency, solvency and asset quality (2005-2009).

H₃₀: There is no compliance between the financial ratios of DBE and AADF's standards in terms of financial performance (2005-2009).

H₄₀: There is no financial self-sustainability in DBE's operation (2005-2009).

RESEARCH METHODOLOGY

RESEARCH DESIGN

Research's can be done through different types of researches' design such as explanatory, exploratory, descriptive and casual. This research was descriptive research which done on the Development Bank of Ethiopia; in order to describe the loan operation and financial performance of the Bank both quantitatively and qualitatively and investigate the critical changes in the Bank's loan operation and financial performance from year to year and finally measure its performance by comparing it against AADF's prudential standards.

DATA COLLECTION AND INSTRUMENTS

Secondary data was used to attain the objectives of the research discussed. The data was collected from the annual reports of the Bank (such as Balance Sheet, Income Statement, Loan Approval Statement, Loan Disbursement Statement and Loan Collection Statement).

DATA ANALYSIS METHODS

The study used trends analysis to analyze the annual change in terms of loan approval, loan disbursement and loan collection and used a statistical tool of paired T-test to check whether there is significant change in loan operation after liberalization of the economy. This study used conventional accounting ratios to assess the financial performance of the Bank in terms of profitability and efficiency, solvency, asset quality and capital adequacy. The analysis of Development Bank profitability and the overall rates is often based on the standard financial ratios (Murinde *et al.*, 1997), cited by Sheehama (2009). Finally the study compared the financial performance of Bank with AADF's prudential standards set by the Association to measure the performance of member Development Banks.

The study assessed the financial self sustainability of the Bank without subsidy. Yaron (2005) stated that the performance of state owned development financial institutions can be assessed based on the two principal criteria which are outreach to a well defined target clients and the subsidy dependence of SDFI concerned. Subsidy dependence index can be calculated through the following mathematical approach;

$$S = A(m - c) + [(E * m) - p] + K \text{ ----- Eq (1)}$$

Where:

S Annual subsidy received by the SDFI

A SDFI concessionary borrowed funds outstanding (annual average)

M Interest rate; the SDFI would be assumed to pay for borrowed funds if access to borrowed concessionary funds were eliminated

C	Weighted average annual concessionary rate of interest actually paid by the SDFI on its average annual concessionary borrowed funds outstanding
E	Average annual equity
P	Reported annual profit before tax (adjusted, when needed, for loan loss provisions, and so on)
K	The sum of all other annual subsidies received by SDFI (such as partial or complete coverage of the SDFI operational costs by the state)

$$SDI = \frac{S}{LP \times i} \quad \text{Eq (2)}$$

Where:

SDI	Subsidy dependence Index of SDFI
S	Annual subsidy received by SDFI
LP	Average annual outstanding loan portfolio of SDFI
i	Weighted average yield earned on the loan portfolio of SDFI (Yaron,2005).

RESULTS, DISCUSSION AND FINDINGS

ANNUAL GROWTH ANALYSIS OF LOAN APPROVAL, DISBURSEMENT, AND COLLECTION BEFORE LIBERALIZATION

Agriculture & Industry sector loan approval performance of the Bank shows deterioration. Approval to Other sectors (other than Agriculture and Industry) demonstrates increment 1975-1978 but after this it fluctuated. Loan Disbursement demonstrates better improvement than Approval in all sectors except others. The collection growth in the Agriculture sector shows increment except four years declines. Collection from Industry shows decline 1977-1983, except 1978. The collections from other sectors illustrate high fluctuation (insert table1 here).

ANNUAL GROWTH ANALYSIS OF LOAN APPROVAL, DISBURSEMENT, AND COLLECTION AFTER LIBERALIZATION

Approval in agriculture sector illustrates increment 1992-1998 and then demonstrates decline 1999-2009. In the Industry and Other sector, it illustrates high fluctuations. Disbursement to Agriculture sector shows increment 1992-1998, except 1994 decline. Disbursement to the Industry sector shows unstable trend. Disbursements to other sectors showed increment 1992-1997 and then it proves fluctuation. Collection from all sectors demonstrates unstable growth (insert table 2 here).

HYPOTHESES TESTING

This section tests the loan operation both in amount and in growth for the study period (i.e., 1974-2009).The test is done by using the paired t-test statistical tool.

H₁₀: There is no significant mean difference in DBE's loan approval, loan disbursement, and loan collection amounts and growth rates between before and after liberalization of the economy.

TEST OF THE HYPOTHESES IN TERMS OF AMOUNT

H_{1.10}: There is no significant mean difference in DBE's Loan Approval, Loan Disbursement, and Loan Collection amount between before and after liberalization of the economy.

H₀: $\mu_d = 0$; H_a: $\mu_d > 0$; μ_d : mean difference between before and after liberalization.

Level of significance, Critical Value(s) and Rejection Region(s)

Level of significance: 95% confidence interval; 5% level of significance (α)

Critical Values: $\pm t_{\alpha/2, (df = N - 1)} = \pm t_{0.025, df = 15} = \pm 2.731$

Reject the null hypothesis if $t \leq -2.731$ or if $t \geq 2.731$ (Kothari, 2004)

From this statistical output that is possible to infer that at the $\alpha > 0.05$ level of significance there is no significant difference in the mean loan approval amount between before and after liberalization of the economy and the null hypothesis is accepted. And it is possible to infer that at $\alpha < 0.05$ level of significance there is significant difference in the mean loan disbursement and loan collection amount before and after liberalization. Thus, the null hypothesis is rejected (insert table 3&4 here).

TEST OF THE HYPOTHESES IN TERMS OF GROWTH RATE

H_{1.20}: There is no significant mean difference in DBE's Loan Approval, Loan Disbursement, and Loan Collection growth rate between before and after liberalization of the economy.

H₀: $\mu_d = 0$; H_a: $\mu_d > 0$; μ_d : mean difference between before and after liberalization.

Level of significance, Critical Value(s) and Rejection Region(s)

Level of significance:

95% confidence interval; 5% level of significance (α)

Critical Values: $\pm t_{\alpha/2, (df = N - 1)} = \pm t_{0.025, df = 13} = \pm 2.16$

Reject the null hypothesis if $t \leq -2.16$ or if $t \geq 2.16$ (Kothari, 2004)

From this statistical output that is possible to infer that at the $\alpha > 0.05$ level of significance, there is no significant difference in the mean of loan approval growth, loan disbursement growth and loan collection growth between before and after liberalization of the economy. Thus, the null hypothesis is accepted (insert table 5&6 here).

DBE FINANCIAL PERFORMANCE RATIOS FOR THE PERIOD 2005-2009

The Calculated ratios are summarized as follows (insert table 7 here)

HYPOTHESES TESTING

H₂₀: There is no good progress in the financial performance of DBE in terms of Profitability, Efficiency, Solvency and Asset Quality (2005-2009)

From ratio analysis of the Bank, most of performance indicators such as such as profitability (ROA, ROE, RAEAA, IM, and ROIAA), efficiency (AU), solvency (TIE & CR), and asset quality (RNPLTLP) indicators demonstrate fluctuation from year to year during the periods included in the study. Therefore from this perspective there is an evidence to infer that there is no good progress in the financial performance of the Bank in terms of profitability, efficiency, and solvency during 2005-2009; so the null hypothesis is accepted.

COMPARISON OF DEVELOPMENT BANK OF ETHIOPIA'S PERFORMANCE RATIO WITH ASSOCIATION OF AFRICAN DEVELOPMENT FINANCIAL INSTITUTIONS STANDARDS

Assessing the performance of DBE in comparative with AADFI's standards is reasonable as DBE is the member of this association.

HYPOTHESES TESTING

H₃₀: There is no compliance with the financial ratios of DBE and AADFI's standards in terms of financial performance (2005-2009).

Except ROIAA, CR, RNPLTLP and ROA the Bank has compliance operation with the Association standards in most of its ratios, which means it has compliance operation in RAEAA, IM, TIE, RLPNPL, and DE and it can be substantial evidence to infer that there is compliance operation in the Bank with AADFI's standards in financial perspectives and the null hypothesis is rejected in case of these ratios. But it is possible to infer that there is no compliance in the Banks operation with Association's standard in ROIAA, CR and RNPLTLP and ROA; so the null hypothesis is accepted (insert table 8).

DBE PERFORMANCE ASSESSMENT IN TERMS OF FINANCIAL SELF SUSTAINABILITY

DBE has two main sources of fund, debt and equity; all of the equity is coming from the government which is considered as public fund and the debt is mainly from two sources domestic and abroad; again those domestic debts are from financial institutions mainly from Commercial Bank of Ethiopia (CBE) and those abroad source of debts are from foreign government and international organizations. Most of those debts from international organizations are concessionary which are offered to the Bank at minimum interest rate, on average 2% per annum. In contrary, the Bank paid the maximum interest rate on its debt which is to domestic sources (i.e., 4% per annum).

Therefore, in this study to compute the Banks subsidy dependent index taking 4% interest rate as a market interest rate (i.e., 4% per annum) the Bank paid when the access of concessionary debt eliminated is realistic because of the following two reasons:

- The Banks main source of domestic debt to fill its liquidity problem is loan from CBE and it requires the DBE at least to cover the cost of deposit interest rate plus some margin as its main source of fund is deposit mobilization from the public.
- DBE can't mobilize deposit from the public to fill its liquidity problem since this service is not open to the public and forced to borrow from other sources such as, Commercial Bank of Ethiopia.

The general formula used to calculate subsidy dependence index is subsidy received divided by income from loan.

$$SDI = S / (L \times i)$$

Where

SDI= subsidy dependence Index

$$\text{Subsidy (S)} = A(m-c) + [(E \times m) - p] + K,$$

The analysis reveals that DBE was subsidy dependent with the percentage of 14.42%, 11.3% and 1.9% during the years 2006, 2007 and 2009, respectively. But, the Bank gets subsidy independent in 2008 and even produce profit after covering its subsidy. However, it also becomes subsidy dependent in 2009 but the percentage declined significantly as compared with the 2006 and 2007 indices (insert table 9 here).

HYPOTHESES TESTING

H₀: There is no financial self sustainability in DBE's operation (2005-2009).

The Bank is subsidy dependent in most of the years included in the study except 2008, which indicates there is no financial self sustainability in the Bank without subsidy, from this output that is possible to infer that there is no financial self sustainability in DBE and the null hypothesis is accepted.

RECOMMENDATION

To keep the profitability in increasing progress, the Bank is recommended to look on its operating cost and on its source of income. By reducing the default rate the Bank can keep its income source growth and it can be done by made systematic risk assessment on the financed projects. Higher portion of the operation costs of the Bank are the loan loss provision expense and loss on loan risk fund so if the Bank control these costs it can keep its profitability in good progress, and also the Bank is recommended to focus on its interest expense since this cost shown an increment during the periods of the study.

The Bank is recommended to look on its policy in selecting its source of funds in compliance with its investment maturity date and to take consistent supervision of the projects financed and take corrective actions on the projects in problem in order to overcome its liquidity problem, which means if financed projects are in a good position the Bank can recovered its loans in due time.

CONCLUSION

From the assessment of loan operation of the Bank this study found that there is high fluctuation in the growth of loan approval and disbursement before liberalization, but there is an improvement after liberalization except its occasional decline and the statistical paired t-test output indicates that there is significant difference in amount between pre and post liberalization except loan approval, but in terms of growth there is no significant mean difference between pre and post liberalization both in loan approval, loan disbursement and loan collection.

The financial performance indicators both in terms of profitability, efficiency and solvency show high variability during the study periods.

The comparison of the Banks financial performance indicators with the AADFI's standard showed poor performance except RAEAA, RLPNPL, DE, TIE and ROA (except 2005 and 2008).

From financial self sustainability perspective the study conclude that, the Bank was financially self sustainable without subsidy only during 2008 from the periods included in the study.

FARTHER RESEARCH SUGGESTION

This study focused on the assessment of the Bank performance based on the financial criterion of development financial institutions, but in addition to this the performance of developmental financial institution can be assessed based on developmental and technological criteria. This study was used accounting ratios, further researchers are suggested to assess the performance of the Bank by applying additional instruments such as, subsidy adjusted accounting ratios, and multivariate statistical analysis.

ACKNOWLEDGEMENT

I would like to express my primary gratitude to the almighty GOD and to his mother St. Merry.

I am grateful to have someone like Dr. Tesfation Sahlu who is my Supervisor, especially to his effort on my study to incorporate all the scientific requirements in the study.

To prior researchers in this area for their valuable output which is very important for the completion of this study by using as an input.

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APPENDICES

TABLES

TABLE 1: THE ANNUAL GROWTH OF DBE LOAN APPROVAL, LOAN DISBURSEMENT AND LOAN COLLECTION BEFORE LIBERALIZATION

SECTORS YEAR	LOAN APPROVAL				LOAN DISBURSEMENT				LOAN COLLECTION			
	AGRI.	INDU.	OTH.	TOTAL	AGRI.	INDU.	OTH.	TOTAL	AGRI.	INDU.	OTH.	TOTAL
1974	-	-	-	-	-	-	-	-	-	-	-	-
1975	147.5	(81)	241.8	58.5	145.3	54.8	-	103.3	26.1	17.5	(43)	24.8
1976	178.3	(62.1)	67.4	155.8	120.4	(74.6)	-	97	123	80.3	1143.2	12.5
1977	(13.2)	151	70.5	3.1	(5.5)	(64.3)	(4.9)	(7.2)	27.6	(16)	102.7	27.1
1978	(4)	38	190	21.2	(9.8)	176.1	196	32.1	(47)	114.7	389.5	(23.4)
1981	(74)	(92)	(79)	(76.3)	(89.1)	9.5	(73.1)	(5.7)	64.8	(4.5)	(55.3)	36.6
1982	168	(74.4)	-	145.6	3.1	(12)	(83.5)	(4.3)	89.6	(2)	(5)	74
1983	(8.8)	879.2	-	(2)	(29.4)	(51.3)	573.7	(24.1)	96.1	(9.6)	289.2	97.3
1984	16.1	291.2	(33.1)	23.1	6.6	3.5	(50.9)	(7.8)	(69.4)	81.3	(82.8)	(67.4)
1985	1.4	(76.7)	(96.8)	(8.8)	8.8	85.9	(14.8)	11.3	34.4	5.9	344.9	40.5
1986	(72.6)	233.8	217	(62.7)	26	43.8	(3.1)	22.1	2.2	27.5	(4.1)	3.6
1987	(182.4)	(46.4)	701.7	152.3	(26.4)	(38.3)	275.8	(22.6)	(39)	32	(46.2)	(32.9)
1988	(34.5)	413.2	(94.6)	(21)	30	101.6	(9.3)	32.1	5.4	30.8	(59.9)	5.7
1989	(15.6)	(7)	49.7	(12.1)	(40.4)	109.1	27.6	(9)	(6.8)	(64.1)	60.6	(18.4)
1990	(7.60)	(52.20)	(15.3)	(23.2)	15.4	(26.2)	(13.7)	0.6	17.9	23.3	133.4	24.4

Source: Authors own computation

Note: - indicates missing value and () indicates negative figures.

TABLE 2: THE ANNUAL GROWTH OF DBE LOAN APPROVAL, LOAN DISBURSEMENT AND LOAN COLLECTION AFTER LIBERALIZATION

SECTORS YEAR	LOAN APPROVAL				LOAN DISBURSEMENT				LOAN COLLECTION			
	AGRI	INDU	OTH	TOTAL	AGRI	INDU	OTH	TOTAL	AGRI	INDU	OTH	TOTAL
1991	-	-	-	-	-	-	-	-	-	-	-	-
1992	73.5	(53.7)	25.5	30.2	80.8	(50)	7.7	7.1	(39.2)	(71.4)	(3.49)	(41.2)
1993	(73.6)	37.6	(14.5)	(55.5)	7.3	(5.8)	50.3	6.7	(6.6)	233.6	90.8	27
1994	196	1176	22.3	481.3	(73.8)	223	42.8	1.2	(55.4)	134.4	59.2	9.7
1995	98.4	(62)	116.1	(17)	466.3	15.9	25	98	589.5	33	(65.6)	129.2
1996	51.4	155.7	63.5	87	48.3	50.2	65.6	50.4	23	59.8	126.1	37.5
1997	23.2	(46)	168.8	4.3	21.2	(4.6)	112.1	18.5	69.2	(4.3)	(1)	41.6
1998	8.8	75.7	(47.5)	12.1	27.1	1	(25)	10.5	23.3	66.3	124	37.7
1999	(3.5)	(49)	(26.8)	(22.6)	(96.9)	24.3	9.5	21.5	(38)	20.5	0.1	(20.2)
2000	(48.5)	(53.4)	40.5	(41)	(25.8)	(8)	(4)	17.5	4.5	5.4	(7)	3.5
2001	(39.4)	(107)	(67.7)	(40.3)	(53.5)	(41.2)	(57.2)	(50.2)	(25.2)	(15.2)	40.5	(14.7)
2002	(40.8)	(47)	(22.6)	(40.2)	(4.6)	(56.7)	(54.8)	(51.1)	(37.6)	(31.6)	(11.3)	(30.8)
2003	(17.2)	64	(68.6)	(5.1)	(3.1)	(50)	(32.3)	(37.8)	4.3	(29.1)	(12.3)	9.8
2004	209.6	184	13.2	259.3	174.6	490.3	629.3	326.3	(21.8)	(20.8)	23	(13.5)
2005	77.3	130.1	0.61	79.1	172.4	88.4	(11.2)	95.2	59.7	60.6	(19.4)	40.4
2006	(19.3)	268.2	25	144.4	0.3	1.9	108.2	12.8	25.5	130	77.5	80.3
2007	847.3	(17)	103.5	99.4	63.6	(63.1)	60.6	22.1	48.8	27.5	11.4	31.2
2008	(82.4)	19.4	(2.2)	(44.2)	(3.9)	190	(11.4)	14.1	23.3	(56.7)	31.7	(20.7)
2009	(26.6)	66.4	77	50	(43.3)	205.6	63.1	44.2	10.3	11	(2)	8

Source: Authors own Computation

TABLE 3: PAIRED SAMPLES STATISTICS AMOUNT IN BIRR

Pair		Mean	N	Std. Deviation	Std. Error Mean	Correlation
1	TLAAL	780742187.50	16	846710673.995	211677668.499	.011
	TLABL	347484625.00	16	208196495.600	52049123.900	
2	TLDAL	406193875.00	16	235048553.300	58762138.325	.446
	TLDL	257329125.00	16	111730712.011	27932678.003	
3	TLCAL	351945000.00	16	189443727.464	47360931.866	.212
	TLCBL	118521875.00	16	83747621.216	20936905.304	

Source: Authors own Computation

TABLE 4: PAIRED SAMPLES TEST FOR AMOUNT IN BIRR

	Paired Differences					t	df	Sig. (2-tailed)
	Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
				Lower	Upper			
Pair 1 TLAAL – TLABL	433257562.500	869771606.556	217442901.639	-30211011.384	896726136.384	1.993	15	.065
Pair 2 TLDAL – TLDL	148864750.000	210473015.861	52618253.965	36711596.498	261017903.502	2.829	15	.013
Pair 3 TLCAL – TLCBL	233423125.000	190183872.181	47545968.045	132081293.017	334764956.983	4.909	15	.000

Source: Authors own Computation

Note: - indicates missing value and () indicates negative figure.

TABLE 5: PAIRED SAMPLES STATISTICS FOR GROWTH RATE

Pair		Mean	N	Std. Deviation	Std. Error Mean	Correlation
1	TLGAL	52.2571	14	147.90453	39.52915	-.162
	TLGBL	47.9286	14	89.54541	23.93202	
2	TLDGAL	36.7000	14	94.74673	25.32213	-.165
	TLDGBL	15.5571	14	39.90860	10.66602	
3	TLCGAL	15.4286	14	42.90792	11.46762	.222
	TLCGBL	14.6000	14	42.60432	11.38648	

Source: Authors own Computation

TABLE 6: PAIRED SAMPLE TEST FOR GROWTH RATE

	Paired Differences					T	df	Sig. (2-tailed)
	Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
				Lower	Upper			
Pair 1 TLGAL – TLGBL	4.32857	184.87465	49.40983	-102.41488	111.07202	.088	13	.932
Pair 2 TLDGAL – TLDGBL	21.14286	108.70764	29.05334	-41.62306	83.90878	.728	13	.480
Pair 3 TLCGAL – TLCGBL	.82857	53.33627	14.25472	-29.96687	31.62402	.058	13	.955

Source: Authors own Computation

TABLE 7: FINANCIAL PERFORMANCE RATIOS OF DBE(2005-2009)

Items	2005	2006	2007	2008	2009
Profitability ratio:					
Return on equity	2.5%	1.32%	1.75%	3.4%	2.8%
Return on asset	1.02%	0.5%	0.6%	1.2%	0.9%
Interest margin	6.13%	6.44%	5.46%	6.42%	5.36%
Ratio of other income to average asset	1.54%	0.46%	0.58%	0.68%	1.17%
Liquidity ratio:					
Times interest earned	1.77 times	1.39times	1.48times	1.94times	1.76times
Current ratio	0.6:1	0.71:1	0.75:1	0.7.1	0.56:1
Efficiency ratio:					
Margin of asset utilization	6.17%	6.12%	5.71%	7%	6.2%
Ratio of operating cost to operating income	78%	75%	67%	57%	72%
Asset quality ratio:					
Ratio of non performing loan to total loan portfolio	37.2%	42.4%	41.5%	33.2%	37.7%
Ratio of loan loss provision to total non performing loan	48.14%	46.81%	49.89%	64.49%	53.52%
Capital adequacy ratio:					
Debt to equity ratio	1.46:1	1.64:1	1.96:1	1.97:1	2.43:1

Source: Authors own Computation

TABLE 8: COMPARISON OF THE FINANCIAL PERFORMANCE OF DBE WITH THE STANDARDS OF AADFI'S

Item	2005	2006	2007	2008	2009	AADFI's standards
ROA	1.02%	0.5%	0.6%	1.2%	0.9%	>1%
RAEAA	0.91%	0.87%	0.94%	1.14%	1.07%	<4%
IM	6.13%	6.44%	5.46%	6.42%	5.36%	>4%
ROIAA	1.54%	0.46%	0.58%	0.68%	1.17%	>5%
TIE	1.77 times	1.39 times	1.48 times	1.94 times	1.76 times	>1.3 times
CR	0.6:1	0.71:1	0.75:1	0.7:1	0.56:1	2:1
RNPLTLP	37.2%	42.4%	41.5%	33.2%	37.7%	<15%
RLPNPL	48.14%	46.81%	49.89%	64.49%	53.52%	>40%
DE	1.46:1	1.64:1	1.96:1	1.97:1	2.43:1	<4:1

Source: Authors own computation

TABLE 9:- SDI COMPUTATION OF DBE

Year	A	m	C	E	P	K	S	L	I	SDI
2006	162,871,028	4%	2%	1,862,510,932	31,211,572.44	-	46,546,285.4	4,303,722,311.5	7.5%	14.42%
2007	223,909,706	4%	2%	1,872,587,147	39,853,690.88	-	39,527,989.12	4,666,012,088	7.5%	11.3%
2008	308,115,698	4%	2%	1,896,825,937	82,545,394.04	-	(510,042.6)	5,130,144,434	7.5%	(0.13%)
2009	194,381,933	4%	2%	1,942,597,360	72,983,240.34	-	8,608,292.72	6,036,082,326	7.5%	1.9%

Source: Authors own computation

TABLE 10: ACRONYMS

AADFI's	Association of African Development Financial Institutions
ADB	African Development Bank
ADF	African Development Fund
AGRI.	Agriculture
AU	Asset Utilization
CR	Current Ratio
DB	Development Bank
DBE	Development Bank of Ethiopia
DE	Debt to Equity Ratio
df	Degree of Freedom
DFI	Development Financial Institution
EM	Equity Multiplier
INDU.	Industry
IM	Interest Margin
NDB	National Development Bank
NPL	Nonperforming Loan
OLP	Outstanding Loan Portfolio
OTH.	Others (Other than Agriculture and Industry Sectors)
RAEAA	Ratio of Administrative Expense to Average Asset
RCCEA	Ratio of Cash and Cash equivalent to Total Asset
RFB	Reconstruction and Finance Bank
RLATA	Ratio of Liquid Asset to Total Asset
RLPNPL	Ratio of Loan Provision to Nonperforming Loan
RNPLTLP	Ratio of Nonperforming Loan to Total Loan Portfolio
ROA	Return on Asset
ROE	Return on Equity
ROIAA	Ratio of Other Income to Average Asset
SCB	State Owned Commercial Bank
SDB	State Owned Development Bank
SDFI	State Owned Development Financial Institution
SDI	Subsidy Dependent Index
TIE	Time Interest Earned
TLA	Total Loan Approval
TLAAL	Total Loan Approval after Liberalization
TLABL	Total Loan Approval before Liberalization
TLAGAL	Total Loan Approval growth after Liberalization
TLAGBL	Total Loan Approval growth before Liberalization
TLC	Total Loan Collection
TLCAL	Total Loan Collection after Liberalization
TLCBL	Total Loan Collection before liberalization
TLCGAL	Total Loan Collection growth after Liberalization
TLCGBL	Total Loan Collection growth before Liberalization
TLD	Total Loan Disbursement
TLDAL	Total Loan Disbursement after Liberalization
TLDL	Total Loan Disbursement before Liberalization
TLDGAL	Total Loan Disbursement growth after Liberalization
TLDGBL	Total Loan Disbursement growth before Liberalization

THE QUALITY OF CUSTOMER SERVICE IN NIGERIA'S INTERNATIONAL AIRLINE INDUSTRY AND IT'S RELATIONSHIP WITH THE LEVEL OF PATRONAGE: A CASE OF AIR FRANCE AND LUFTHANSA

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ABSTRACT

The aim of the paper is to provide insight into the Nigeria's international airline industry, the expectations and perceptions of the Nigerian air travelers with a view to enabling them position to better meet customers' needs. The survey method was adopted, with 520 questionnaire administered to passengers and 501 were correctly filled. In order to effectively determine the service gap of the airlines, a 5 point likert scale measurement was used to measure the customer satisfaction level. A correlation and regression analysis were carried out to determine if the level of patronage of respondents are dependent on the servqual index. The study revealed that most Nigerian airline passengers of Lufthansa do not consider customer service quality a major factor in determining their level of patronage. After a correlation analysis was carried out, service quality and patronage has a weak positive value of 0.132 revealing that service quality is not a major factor in determining the level of patronage. In the case of Air France, service quality and patronage has a strong negative value of -0.83 which reveals that most passengers that have a higher perception of the quality of customer service of Air France do not record a high patronage. However, international airlines under case study have relatively high quality of customer service in Nigeria where Lufthansa has an average of 0.59 while Air France has an average of 0.655.

KEYWORDS

quality, Customer service, International Airline Industry; Patronage, Satisfaction.

1.0 INTRODUCTION

Aviation practice began in Nigeria in 1920, barely seventeen years after the Wright brothers' first flight in 1903. Though it started as a purely military operation with the landing of a British Royal Air Force aircraft on a polo field in Maiduguri. After the introduction of Royal Air Force in Nigeria in 1920, the Nigerian airline industry witnessed several introductions and collapse of various airlines and aviation bodies (Eze, 2010). In 1935, the operations of the Royal Air Force were replaced by those of the Imperial Airways that flew regular airmail and passengers from London to Nigeria. These services thus preceded commercial international operations in Nigeria, although it was not until 1936 that commercial aviation actually came to Nigeria (FAAN 2010). In recent times, various airlines (both international and Local) operate in Nigeria's airline industry. As a result, diverse airlines with diverse fare structures and operating conditions now operate in Nigeria. This has given rise to a substantial level of competition in the industry.

According to Turban et al (2002), "Customer service is a series of activities designed to enhance the level of customer satisfaction, that is, the feeling that a product or service has met the customer's expectation". He further explained that customer service is the provision of service to customers before, during and after a purchase of goods and/or service. Customer service in the airline industry is not much different from the above definitions. In the airline industry, any service or action before, during or after the actual business of transporting the passengers that influences the level of satisfaction a customer derives from the service of transportation can actually be termed as customer service.

Nigeria's international airline industry is surrounded by myriad of problems one of which is the customer service quality. It is no doubt that the vision and mission statements of most international airlines in Nigeria aim at satisfying their customers. These international airlines have even seen the need to establish the customer service departments in their organizations.

The **objectives** of the study is to measure the quality of customer service presently available in the international airline industry in Nigeria and to what extent they are enjoyed by the customers and to provide Nigeria's international airline industry players with unbiased insights to the expectations and perceptions of the Nigerian air travellers with a view to enabling airlines position to better meet customers' needs. However, as a result of the wide distribution of airports in Nigeria, this study shall cover two airlines operating in Port-Harcourt International Airport. The airlines are Lufthansa and Air France. Although these airlines have reliable commercial cargo operations, this study wishes to investigate the commercial passenger services of the above airlines.

In other to achieve the stated objectives, the study sought answers to the following questions How satisfied are Lufthansa passengers with their service? How satisfied are Air France passengers with their service? And Is there a significant relationship between the quality of service offered by an international airline and the patronage from passengers?

1.1 HYPOTHESIS TESTED

H01- Lufthansa does not have low quality customer service.

H02- Air France does not have low quality customer service.

H03- The quality of customer service offered by an international airline has no significant relationship with the patronage of passengers.

2.0 LITERATURE REVIEW

According to Rushton (2006), customer service can be seen as the positioning of resource at the right time, in the right place, at the right cost, at the right quality. He further explained that customer service can be classified in different ways. They may be seen as transaction-related elements, where the emphasis is on the specific service provided, such as on-time delivery, or they may be seen as functional attributes that are related to overall aspects of order fulfillment, such as the ease of order taking. Transaction elements are usually divided into three categories. These reflect the nature and timing of the particular service requirements (before, during and after delivery of the product/service).

2.1 PRE-TRANSACTION ELEMENTS

These are customer service factors that arise prior to the actual transaction taking place. They include all services that an airline offers a passenger directly or indirectly before the actual business of transporting the passengers, which could actually influence the level of satisfaction that a customer derives. They include: written customer service policy; accessibility of order personnel; single order contact point; organizational structure; method of ordering; order size constraints; system flexibility; transaction elements. In airline transportation, they also include services related to flight reservations, enquiries, up-to-date information from the airlines, fare structures (including promos, discounts, etc.).

The order personnel in the airline industry refer to the reservation/ticketing officers. Therefore, the accessibility of these reservation/ticketing officers, could go a long way in affecting the customer's satisfaction of the service yet to be rendered. The method of ordering entails the various options available to customers regarding flight reservations. The order size constraints and system flexibility refer to the various options, opportunities and limitations a customer has to flight reservations and its change.

2.1.1 TRANSACTION ELEMENTS

These are the elements directly related to the physical transaction. Under this heading would be included: frequency of flights; flight availability; flight alternatives; flight time; condition of aircraft; flight status information; flight safety; etc.

The above services determine the quality of service offered a passenger during the actual transit. The frequency of flights an airline is able to offer in a day, week, month and year could determine how frequent an airline is as a choice to customers. In addition, passengers/customers are most likely to consider the frequency of flight delays in determining satisfaction derived from an airline. More so, customers expect that flights are always available whenever needed on the counter or online (if possible). Flight alternatives explain the options regarding comfort ability, timing, mode of payment, etc. Needless to say that the conditions of the aircraft as well as safety of both the passengers and goods are paramount in the decision making of a passenger. No passenger would gladly patronize again any airline that has a record(s) of losing lives and or properties. Passengers would also welcome readily available information regarding their flight at the right time.

2.1.2 POST-TRANSACTION ELEMENTS

These involve those elements that occur after the delivery/service has taken place, such as: customer complaints and procedures; claims procedures.

Customer service elements can also be classified by multifunctional dimensions. The intention is to assess the different components of customer service across the whole range of company functions, to try to enable a seamless service provision. Time, for example, constitutes a single requirement that covers the entire span from order placement to the actual delivery of the order – the order cycle time. One of the main consequences of this approach is that it enables some very relevant overall logistics measures to be derived. The four main multifunctional dimensions are:

1. Time – usually flight time.
2. Dependability – this actually includes how guaranteed and trustworthy a flight is before the passengers.
3. Communications – this includes the availability of information before, during and after a flight to the passengers.
4. Flexibility – the ability to recognize and respond to a customer's changing needs.

2.2 CUSTOMER SATISFACTION

In recent times all organization has increasingly come to understand the importance of customer satisfaction. It is widely understood that it is far less costly to keep existing customers than it is to wind new ones. For many organizations in the public sector, customer satisfaction will itself be the measure of success. According to Oliver (1997), satisfaction is defined as the customer's fulfillment. It is a judgment that a product or service feature provided a pleasurable level of consumption-related fulfillment. In customer relationship management, customer satisfaction is the measure of the degree to which a product/service meets a customer's expectations.

The study of customer satisfaction has become a paramount factor in the area of marketing as more organizations are trying to retain the customers for their business survival. As more than one airline is operating in the domestic and regional markets, the competition is getting stiffer among the airline companies.

2.3 SERVICE QUALITY

Service quality (Parasuraman et al. 1988; Gronroos 1984) is defined as a comparison between customer expectation and perception of service. Service quality is a consumer's overall impression of the relative inferiority/superiority of the organization and its services (Bitner&Hubbert, 1994). Service quality is like beauty in the eyes of the beholder and hence a matter of perception (Rhoades and Waguespack, 2004). However, its measurement, plays an important role in assessing a service organization's performance, scrutinizing service problems, managing service delivery and determining corporate rewards (DeMoranville and Bienstock, 2003).

2.4 CASE STUDY AIRLINES AND THEIR OPERATIONS IN NIGERIA**2.4.1 LUFTHANSA AIRLINES'S OPERATIONS IN NIGERIA**

Lufthansa has a long history in Nigeria having flown for 50 years in the country. Lufthansa's first flight to Lagos took off on March 4 1962 and was thus not only the inaugural flight to Nigeria, but also the first Lufthansa destination on the African continent. Nigeria was also among the first 25 countries the airline started flying to (before many European destination). Up to four years ago, Lufthansa operated only four flights a week to Nigeria; today there are 10 weekly flights, which is obviously an increase of 150 per cent. Presently, Lufthansa operates flights to Lagos, Abuja and Port-Harcourt (Global aviation, 2006)

Lufthansa airline to a great extent have recognized the need for customer service policies and its implementation. Lufthansa airline have developed strategies that would enable them meet the needs of their passengers. Some of these strategies include:

- a) Offering the lowest fare available to passengers.
- b) Notifying Customers of Known Delays, Cancellations and Diversions
- c) Delivering Baggage on Time
- d) Allowing Reservations To Be Cancelled Without Penalty For A Defined Amount Of Time
- e) Providing Prompt Ticket Refunds
- f) Properly Accommodating Disabled and Special Needs Passengers, including Tarmac Delays
- g) Meeting Customers' Essential Needs During Long On-Board Delays
- h) Handling "Bumped" Passengers in the Case of Over sales with Fairness and Consistency
- i) Disclosing Travel Itinerary, Cancellation Policies, Frequent Flyer Rules, and Aircraft Configurations
- j) Ensuring Good Customer Service from Code-Share Partners
- k) Ensuring Responsiveness to Customer Complaints
- l) Identifying the Services Lufthansa Provides to Mitigate Passenger Inconveniences Resulting From Cancellations and Misconnections.

This study aims at determining the actual service rendered by Lufthansa airline as perceived by the customers.

2.4.2 AIR FRANCE AND ITS OPERATION IN NIGERIA

Air France is one of the subsidiaries of the AIR FRANCE KLM Group, the world's leading airline group in terms of turnover. The equity of Air France is wholly owned by Air France KLM group. Earlier known as Societe Air France, Air France is a Paris based airline having its main hub at Paris Charles de Gaulle Airport. Established on the 7th October, 1933, Air France is one of the leading carriers of the world, offering its services around the world. Owned by Air France- KLM Group, Air France offers its passenger and cargo flight services to over 185 destinations in 83 countries (including Nigeria). Air France operates on long- haul routes as well as short-haul routes. For its accomplished safety practices, IATA has accredited Air France with the IATA Operational Safety Audit (IOSA). (www.makemytrip.com/international-flights).

3.0 METHOD OF DATA ANALYSIS

In order to effectively determine the service gap of the airlines, a 5 point Likert scale measurement was used to measure the customer satisfaction level. The Likert items used to define the expectations and perceptions of the passengers of the quality of airline service include:

- **M.W**= Much more than expected,
- **W.E** = Worse than expected,
- **E.E**= Equal to expected,
- **B.E**=Better than expected,
- **M.B**=Much better than expected.

The above Likert scales were thus designed to effectively calculate the service gap amongst the airlines. It is assumed that the distance between each Likert item is equal. As a result, for a more effective and efficient analysis, M.W= 1, W.E= 2, E.E=3, B.E=4, M.B=5. As a result, the mean score for the answers to the questionnaire is 3; this means that answers below 3 are less than the passenger's expectation whereas answers above 3 are higher than the passenger's expectations. To calculate the servqual index for each respondent,

Servqualindex = $\sum(\text{perception} - \text{expectation}) * 1 / \text{number of questions}$.

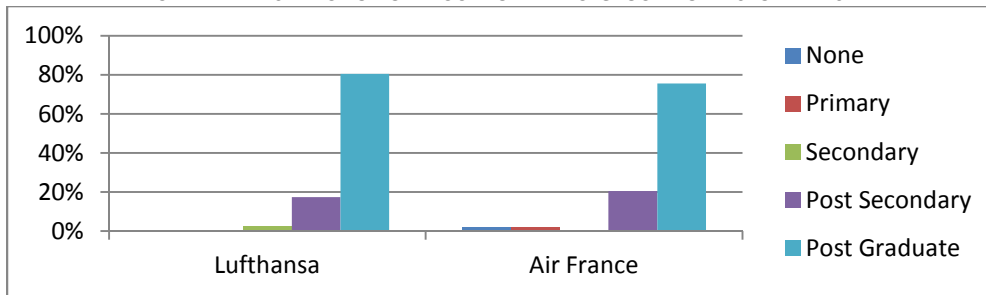
In order to determine the relationship between the service quality and the airline's patronage, a regression analysis was used to determine if the level of patronage of an airline is dependent on the service quality of the airline. Furthermore, a correlation analysis was done to determine if there is a relationship and to what extent between the patronage of passengers and their servqual index.

3.1 DATA PRESENTATION AND ANALYSIS

EDUCATIONAL BACKGROUND

It was observed that a greater percentage of respondents for all airlines had post graduate educational background ranging from 80.4% for Lufthansa and 75.5% for Air France.

CHART 1A: DISTRIBUTION OF EDUCATIONAL BACKGROUND OF RESPONDENTS.

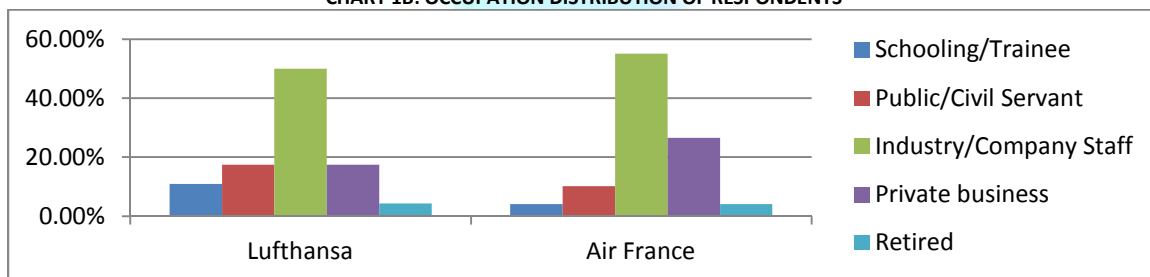


In general, educationally, 77.95% respondents had a post graduate background, 18.95% a Post-secondary background, 1.1% a secondary background, 1% a primary background and 1% of the respondents had no educational background whatsoever.

OCCUPATION

It is also noteworthy that a greater percentage of the respondents were industry company staff ranging from 50% for Lufthansa and 55.15% for Air France.

CHART 1B: OCCUPATION DISTRIBUTION OF RESPONDENTS

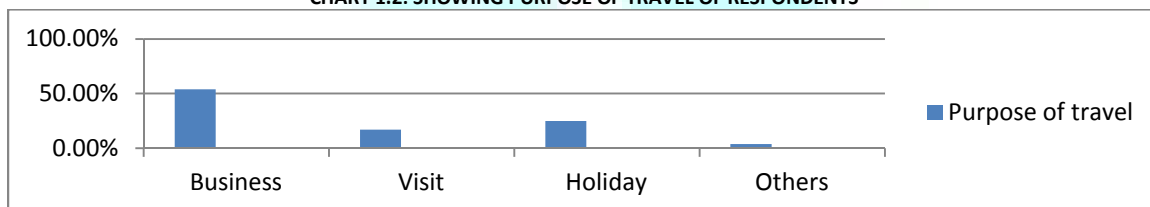


Generally, 52.6% of the respondents were industry/company workers, 22% engaged in private business, 13.8% were public/civil servants while 7.5% of them were scholars/trainees.

PURPOSE OF TRAVEL

When asked the purpose of their travel, 53.8% of the respondents frequently travelled for business purposes while 25.1% frequently travelled for holiday, 17.2% travelled for visitation purposes and 3.9% travelled for other purposes.

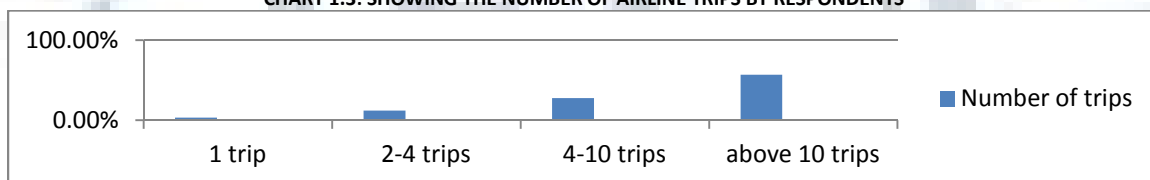
CHART 1.2: SHOWING PURPOSE OF TRAVEL OF RESPONDENTS



NUMBER OF AIRLINE TRIPS

In the course of analysis, it was discovered that 56.60% of the respondents have taken above 10 airline trips in the last twelve months. 27.8% have taken 4-10 airline trips in the last twelve months. 12.2% of the respondents have taken 2-4 airline trips in the last twelve months while 3.4% respondents have just taken a trip in the last twelve months.

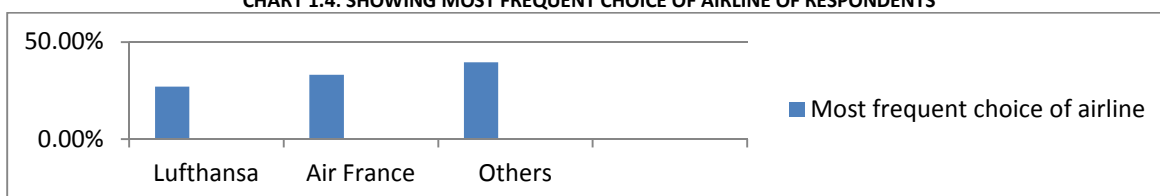
CHART 1.3: SHOWING THE NUMBER OF AIRLINE TRIPS BY RESPONDENTS



CHOICE OF AIRLINE(S)

When asked the international airline they use often for travel, 39.6% of the respondents used other international airlines outside Lufthansa and Air France for international trip. 33.2% used Air France more often while 27.1% used Lufthansa more often for international trips.

CHART 1.4: SHOWING MOST FREQUENT CHOICE OF AIRLINE OF RESPONDENTS



3.2 SERVICE QUALITY ANALYSIS USING SERVQUAL MODEL

This section interprets and analyses the results from the questionnaires distributed to airline passengers. The areas of concentration for analysis includes the number of questions answered by each respondent, the total score for each respondent, the mean score for each respondent, the gap scores for each respondent, the servqual index for each respondent, the remark and the stated level of patronage of each respondent. Where

Mean score = number of questions answered * 3 (the median value of the Likert scale)

Total score = Summation of the scores for each question

Gap scores = Total score – Mean score

Servqual index = Gap score / number of questions answered.

Patronage = Stated level of patronage of the airline by the respondent

Where 1= High patronage and 0 = Low/ no patronage.

3.2.1 LUFTHANSA AIRLINE

The respondents had varied expectations and perceptions of the services rendered by the various airlines. As a result, a gap (which is the difference between the expectations of the passengers and the perception of the service rendered) has been created. The servqual index for all respondents of Lufthansa airline is shown below, where:



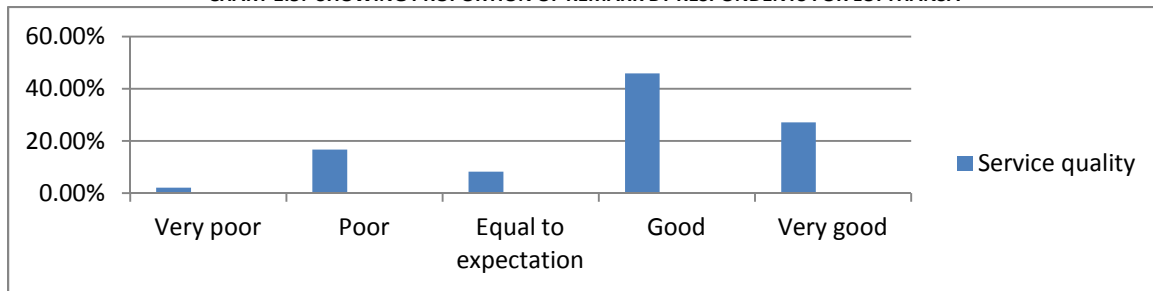
TABLE 1: SHOWING ANALYSIS OF RESPONSE FOR LUFTHANSA

Respondent	Total score	Question answered	Mean score	Gap score	Servequal index	Remark	Patronage
1	58	21	63	-5	-0.238095	Poor	1
2	86	22	66	20	0.9090909	Good	1
3	78	22	66	12	0.5454545	Good	1
4	90	23	69	21	0.9130435	Good	1
5	106	23	69	37	1.6086957	Very good	1
6	76	18	54	22	1.2222222	Very good	0
7	99	23	69	30	1.3043478	Very good	1
8	65	22	66	-1	-0.045455	Poor	0
9	77	22	66	11	0.5	Good	1
10	94	23	69	25	1.0869565	Very good	0
11	85	21	63	22	1.047619	Very good	1
12	76	23	69	7	0.3043478	Good	0
13	115	23	69	46	2	Very good	1
14	75	19	57	18	0.9473684	Poor	0
15	71	23	69	2	0.0869565	Poor	1
16	54	18	54	0	0	Equal to expectation	1
17	107	23	69	38	1.6521739	Very good	1
18	56	19	57	-1	-0.052632	Poor	0
19	56	22	66	-10	-0.454545	Poor	1
20	82	22	66	16	0.7272727	Good	0
21	81	23	69	12	0.5217391	Good	1
22	74	23	69	5	0.2173913	Good	1
23	110	22	66	44	2	Very good	1
24	93	22	66	27	1.2272727	Very good	0
25	78	23	69	9	0.3913043	Good	0
26	21	7	21	0	0	Equal to expectation	1
27	79	22	66	13	0.5909091	Good	1
28	58	21	63	-5	-0.238095	Poor	1
29	93	23	69	24	1.0434783	Very good	1
30	60	23	69	-9	-0.391304	Poor	1
31	68	21	63	5	0.2380952	Good	1
32	60	19	57	3	0.1578947	Good	1
33	70	23	69	1	0.0434783	Good	0
34	54	18	54	0	0	Equal to expectation	0
35	45	23	69	-24	-1.043478	Very poor	0
36	66	22	66	0	0	Equal to expectation	0
37	78	23	69	9	0.3913043	Good	1
38	86	22	66	20	0.9090909	Good	1
39	56	17	51	5	0.2941176	Good	1
40	91	22	66	25	1.1363636	Very good	1
41	107	23	69	38	1.6521739	Very good	0
42	77	23	69	8	0.3478261	Good	0
43	37	10	30	7	0.7	Good	0
44	79	23	69	10	0.4347826	Good	1
45	69	23	69	0	0	Equal to expectation	0
46	50	13	39	11	0.8461538	Good	0
47	106	23	69	37	1.6086957	Very good	1
48	78	22	66	12	0.5454545	Good	0
Total	3684				0.576864	Good	

Source: field survey, 2012.

The above table shows that the average service quality index for Lufthansa airline is 0.577 which is a good gap score and above the expectations of the passengers.

CHART 1.5: SHOWING PROPORTION OF REMARK BY RESPONDENTS FOR LUFTHANSA



The chart above shows that 2.1% of Lufthansa’s respondents see the airline’s service as very poor, 16.7% feel the airline’s services are poor while 8.5% feel Lufthansa’s services are equal to expectation. Majority of the respondents (45.8%) rate Lufthansa’s services as good (greater than their expectations), while 27.1% are very much impressed by Lufthansa’s services.

3.2.2 AIRFRANCE

Air France, being an international airline operating in Nigeria also has the following servqual indices from its respondents where;

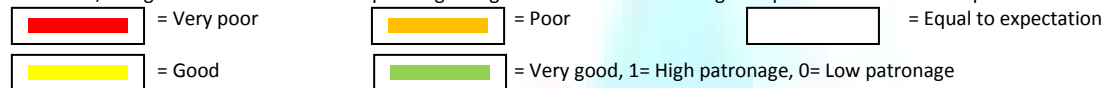


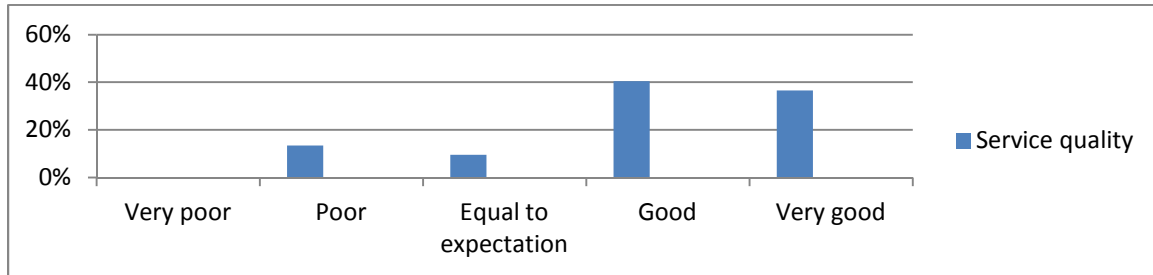
TABLE 2: SHOWING ANALYSIS OF RESPONSE FOR AIR FRANCE

Respondent	Total	Question answered	Mean score	Gap score	Serv qual index	Remark	Patronage
1	61	21	63	-2	-0.09524	Poor	1
2	79	23	69	10	0.434783	Good	0
3	61	20	60	1	0.05	Good	1
4	97	22	66	31	1.409091	Very good	1
5	92	23	69	23	1	Very good	1
6	100	23	69	31	1.347826	Very good	1
7	68	23	69	-1	-0.04348	Poor	1
8	96	23	69	27	1.173913	Very good	1
9	70	23	69	1	0.043478	Good	1
1	101	23	69	32	1.391304	Very good	1
11	72	23	69	3	0.130435	Good	1
12	92	23	69	23	1	Very good	1
13	53	21	63	-10	-0.47619	Poor	1
14	62	23	69	-7	-0.30435	Poor	1
15	80	20	60	20	1	Very good	1
16	94	23	69	25	1.086957	Very good	0
17	93	23	69	24	1.043478	Very good	1
18	80	23	69	11	0.478261	Good	1
19	67	14	42	25	1.785714	Very good	1
2	74	23	69	5	0.217391	Good	1
21	96	23	69	27	1.173913	Very good	1
22	70	23	69	1	0.043478	Good	0
23	78	23	69	9	0.391304	Good	1
24	66	22	66	0	0	Equal to expectation	1
25	106	22	66	40	1.818182	Very good	1
26	36	12	36	0	0	Equal to expectation	1
27	74	23	69	5	0.217391	Good	1
28	61	17	51	10	0.588235	Good	0
29	6	2	6	0	0	Equal to expectation	0
3	77	22	66	11	0.5	Good	0
31	90	23	69	21	0.913043	Good	0
32	87	18	54	33	1.833333	Very good	1
33	65	22	66	-1	-0.04545	Poor	0
34	94	23	69	25	1.086957	Very good	0
35	81	23	69	12	0.521739	Good	0
36	72	19	57	15	0.789474	Good	1
37	56	19	57	-1	-0.05263	Poor	1
38	79	23	69	10	0.434783	Good	0
39	89	23	69	20	0.869565	Good	1
4	95	22	66	29	1.318182	Very good	1
41	58	13	39	19	1.461538	Very good	0
42	95	23	69	26	1.130435	Very good	0
43	70	23	69	1	0.043478	Good	1
44	53	18	54	-1	-0.05556	Poor	1
45	66	22	66	0	0	Equal to expectation	0
46	70	22	66	4	0.181818	Good	0
47	73	23	69	4	0.173913	Good	1
48	61	10	30	31	3.1		0
49	79	23	69	10	0.434783	Good	0
50	69	23	69	0	0	Equal to expectation	1
51	54	13	39	15	1.153846	Very good	1
52	100	23	69	31	1.347826	Very good	0
53	84	23	69	15	0.652174	Good	1
Total	3939				0.6547	Good	

Source: field survey, 2012.

On the average, Air France has a servqual index of 0.655, which is a good service quality and greater than the expectations of her passengers. As shown below, no respondent sees Air France services as very poor, although 13.5% of the respondents consider Air France services as poor. 9.6% of the respondents considers Air France services as equal to their expectations, a majority of 40.4% consider the services as good while 36.5% are much more satisfied with Air France customer related services.

CHART 1.6: SHOWING PROPORTION OF REMARK BY RESPONDENTS OF AIR FRANCE.



3.3 SERVICE QUALITY AND PATRONAGE

A correlation and a regression analysis were carried out in order to determine:

- a) If the level of patronage of respondents is dependent on the servqual index of that respondent.
- b) If there is any relationship between the level of patronage of respondents and their servqual index.

LUFTHANSA

TABLE 3: SHOWING THE CORRELATION BETWEEN THE LEVEL OF PATRONAGE AND SERVQUAL INDEX

CORRELATION MATRIX			
	Servqual index	Patronage	
Servqual index	1.000		
Patronage	.132	1.000	
	48	sample size	
	± .285	critical value .05 (two-tail)	
	± .368	critical value .01 (two-tail)	

The table above reveals that the level of patronage of respondents and the servqual index has a very weak positive correlation.

TABLE 4: SHOWING THE REGRESSION ANALYSIS DETERMINING THE DEPENDENCE OF PATRONAGE ON THE SEVQUAL INDEX

REGRESSION ANALYSIS						
	r ²	0.018	n	48		
	r	0.132	k	1		
	Std. Error	0.495	Dep. Var.	Patronage		
ANOVA table						
Source	SS	df	MS	F	p-value	
Regression	0.2011	1	0.2011	0.82	.3699	
Residual	11.2781	46	0.2452			
Total	11.4792	47				
Regression output					confidence interval	
variables	coefficients	std. error	t (df=46)	p-value	95% lower	95% upper
Intercept	0.5479	0.0947	5.784	6.10E-07	0.3572	0.7385
Servqual index	0.0976	0.1078	0.906	.3699	-0.1193	0.3145

The table above reveals that there is no significant dependency relationship of patronage on the servqual index. This means that the service quality of Lufthansa is not a major determinant factor of the patronage of the passengers.

AIRFRANCE

TABLE 5: SHOWING RESULTS OF CORRELATION ANALYSIS BETWEEN THE SERVQUAL INDEX AND THE PATRONAGE FOR AIR FRANCE RESPONDENTS

CORRELATION MATRIX			
	Serv qual index	Patronage	
Serv qual index	1.000		
Patronage	-.083	1.000	
	53	sample size	
	± .271	critical value .05 (two-tail)	
	± .351	critical value .01 (two-tail)	

The above table shows that there is a strong negative relationship between patronage and the servqual index.

TABLE 6: SHOWING A REGRESSION ANALYSIS REVEALING THE DEPENDENCE OF PATRONAGE ON SERVQUAL INDEX

REGRESSION ANALYSIS						
	r ²	0.007	n	53		
	r	-0.083	k	1		
	Std. Error	0.481	Dep. Var.	Patronage		
ANOVA table						
Source	SS	df	MS	F	p-value	
Regression	0.0826	1	0.0826	0.36	.5528	
Residual	11.8042	51	0.2315			
Total	11.8868	52				
Regression output					confidence interval	
variables	coefficients	std. error	t (df=51)	p-value	95% lower	95% upper
Intercept	0.6980	0.0913	7.643	5.26E-10	0.5147	0.8814
Serv qual index	-0.0575	0.0963	-0.597	.5528	-0.2508	0.1358

The table shows that the patronage of respondents is negatively dependent on the service quality.

3.4 TESTS FOR HYPOTHESIS**NULL HYPOTHESIS 1****LUFTHANSA**

The average servqual index for each indicator is tabulated below:

TABLE 7: SHOWING THE SERVQUAL INDEX FOR EACH SERVICE QUALITY INDICATOR FOR LUFTHANSA

Reliability	Responsiveness	Empathy	Tangibles	Assurance	Technical	Average
0.669	0.635	0.457	0.771	0.541	0.851	0.654

From the above table, it can be seen that Lufthansa has a good service quality index for all the indicators of service quality and also an average of 0.654.

From the above analysis, the first null hypothesis (H01) which states that Lufthansa does not have a low quality of customer service, would be accepted while H1 would be rejected. This is so because on the average, Lufthansa has a high quality of customer service.

NULL HYPOTHESIS 2**AIR FRANCE**

On the average, Air France has the following gap scores for the various service quality indicators:

TABLE 8: SHOWING SERVQUAL INDEX FOR EACH SERVICE QUALITY INDICATOR FOR AIR FRANCE

Reliability	Responsiveness	Empathy	Tangibles	Assurance	Technical	Average
0.556	0.577	0.408	0.727	0.547	0.725	0.59

The above table shows that Air France has a good servqual index for all indicators of service quality and also an average of 0.59

From the table above, it can be seen that Air France has a good servqual index for Reliability, Responsiveness, Empathy, Assurance, Tangibles and Technical. On the average, Air France has a good servqual index of 0.59.

From the above analysis, the second null hypothesis (H02) which states that Air France does not have a low quality of customer service, would be accepted while H2 would be rejected. This is so because on the average, Air France has a high quality of customer service.

Null Hypothesis 3

The null hypothesis (3) which states the quality of customer service offered by an international airline has no significant relationship with the patronage of passengers would be rejected.

This is because from Table 3, 4, 5, 6 and 7, it can be seen that there is no significant relationship between patronage of Lufthansa's passengers and their service quality index while there is a high negative relationship between the level of patronage of Air France passengers and the service quality index.

3.5 ANSWERS TO RESEARCH QUESTIONS

Lufthansa airline's passengers from table 1 are fairly satisfied with the level of customer service offered by Lufthansa airline.

More so, Air France passengers from Table 2 are more satisfied with the level of service offered by Air France.

In addition, there is no significant relationship between the quality of customer service offered by an airline and the level of patronage for Lufthansa while there exists a strong negative relationship for Air France.

3.6 DISCUSSION OF RESULTS

After a critical analysis, it has been discovered that Lufthansa recorded 18.8% dissatisfaction from passengers while Air France recorded 13.5% dissatisfaction from passengers. Although a good record, Lufthansa had its lowest servqual index in assurance while Air France had its lowest servqual index in empathy. All indicators of service quality stated here can be improved upon and maintained in order to compete favourably in the Nigeria's airline industry.

This research work has also discovered that although most passengers lament over poor service quality of airlines, they still patronize these airlines. This automatically explains that service quality is a not a major consideration in the choice of an airline in Nigeria. For instance, as at the time of this survey, August 2012, there were only two options of International airlines Operating in Port Harcourt airport. This means that regardless of the quality of service offered other consideration such as the fare availability of airlines, number of options or even the time convenience of flights could be a major consideration in patronage.

Passengers of Lufthansa do not see service quality as a major consideration of patronage because Lufthansa airline is the only airline that takes a direct flight to Frankfurt Germany. As a result for convenience, regardless of the quality of service offered, Lufthansa passengers will more often than not patronize Lufthansa if their destination is in Germany.

Furthermore, most Air France passengers who have a bit low servqual index still patronize the airline while majority of those who have high servqual index do not patronize the airline most often.

Further analysis of the questionnaire shows that 45.1% of Air France respondents usually go on business trips, 22.5% travel for visitation, 31% go on holiday while 1.4% have other reasons for using Air France. From the above analysis, it could be deduced that most Air France travelers who go for business purposes say 2-4 times a year have been able to notice the lapses in the quality of the service offered by Air France but still patronize Air France because it is the only international airline that goes from Nigeria to Paris (where their business may be based).

Similarly, 53.5% others who travel for visitation and holiday purposes may not have enough experience to criticize Air France thereby considering their quality as high but at the same time have no need of patronizing Air France in the nearest future. This explains why there is a negative strong correlation between the level of service of Air France and the patronage of her passengers.

4.0 CONCLUSION

Nigeria's international airline industry which has experienced series of challenges and setbacks has come to stay as more international airlines now operate in Nigeria. This success has given rise to an increase in the level of competition amongst airlines and more choice options available to the Nigerians.

However, it is noteworthy that Nigerians are generally very fairly satisfied with the quality of service in the international airline industry in Nigeria (Lufthansa and Air France as case study). It cannot be over emphasized however that the reason of existence of any enterprise, organization or industry are its customers.

From the above analysis, it can be deduced that as a result of lack of competition, major consideration for the level of patronage of passengers have shifted from customer service quality to other factors such as fare structure, availability of flight, time convenience, e.t.c. Therefore, service quality can only play a significant role in determining the level of patronage in ideal situations. An ideal situation occurs where there is a high level of competition, a variety of options in airlines, routes, flight schedules, fare structures, etc. it is therefore recommended that Government should encourage the entrance of more international airlines into the airline industry in order to encourage variety and competition.

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JOINT VENTURE AND ITS ISSUES

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ABSTRACT

Joint ventures are combinations of two or more companies created to produce a new product or service, or to gain entrance into a new market. Thus, regardless of the motivation, it needs careful management. Each partner hopes to gain access to some resource possessed by the other(s) such as marketing, technology, raw materials or financial, managerial, and political resources (Beamish, 1988). Joint ventures are combinations of companies that enter a new market. To achieve great performance of these "contract marriages" between the multi-cultural companies, they need well thought partnerships and managements. At the same time, each partner has to transfer to the joint venture company their resources such as marketing, technology, raw materials, financial, managerial, and political resources. This paper presents the issues and challenges involved in joint venture.

KEYWORDS

Joint Venture, MGM Channel Joint Venture, Partnership, Agreement.

1.0 INTRODUCTION TO JOINT VENTURE

A joint venture, like a partnership, is created with a view to securing a financial benefit. In partnership, this benefit is expressed as an entitlement to share in profits. This is in keeping with the notion that partnership property, as such, is held by the partnership and that the partners are entitled to share in the profits which may be allocated to them. In general, the motives for setting up a joint venture were understood to include: were

- Using complementary technology or research techniques;
- Raising capital;
- Spreading the risks associated with establishing an enterprise in a new product or geographical area; enterprise in a new product or geographical area;
- Achieving economies of scale;
- Overcoming entry barriers to domestic and international markets; and, acquiring market power

As noted above, a joint venture may simply be the result of an agreement arrived at by the participating parties, or it may take on the more formalized structure of a corporation. Where the parties have agreed that the joint venture be structured by a separate corporation, it is clear, subject to the laws of the incorporating jurisdiction of such corporation, that the joint venture will be separate and distinct entity existing under law, all of the assets of which will be held by it. It is very common, even in such instances, for the parties to govern their relations in such corporations through a shareholders' agreement (Pearce, 1997). Corporations and shareholders' agreements have their own set of well-defined rules and internal logic, and once the parties have decided to opt for such a structure, the particular rules of "joint venture" as innominate or *sui generis* contract would appear less significant in that the parties have chosen a well-regulated vehicle (the corporation) to govern their business dealings. This raises the entire issue of characterization. Given the admitted similarities between joint venture and partnership, there is a natural tendency for a court which has the benefit of having before it a series of established rules (*i.e.* the law of partnership) to apply such rules where a joint venture is present. This could arise in any one of the following situations:

- (a) Where an agreement characterized by the parties as "joint venture" is silent regarding the rules to apply in a particular situation. If the court characterizes the relationship as one of partnership, the resulting void would be filled by those rules;
- (b) Where the rights of third parties may be involved and such rights may be determined in a different manner should the joint venture relationship be characterized as partnership?
- (c) Where a provision in a joint venture agreement runs contrary to a partnership rule of public order or is at variance with that which is considered essential to a contract of partnership, such provision will be declared illegal or inoperative where the court has characterized the contract as one of the partnership. As noted above, the disclaimer by the parties of any intention to create a partnership will be of no effect where a court concludes, on a reading of the document and a consideration of the true relations of the parties, that a partnership was intended.

The result of all of the foregoing is that parties to an agreement who may have believed that they were not entering into a partnership but rather something else, may find that their juridical relations are indeed governed by the law of partnership, with all of its attending results.

1.1 PROBLEM FACED BY GENERAL MANAGER AT THE TIME OF JOINT VENTURE**A. MANAGEMENT / POLITICAL REASONS**

The first problem faced by general manager at the time of joint venture is management/political reasons. As joint venture means combination of two or more companies to fulfill specific objectives, In this a new management came in to existence that management may or may not have the behavior to consult with its employees in decision making. Both the company's management may have the different styles of taking decision likewise one may adopt democratic style and other may adopt autocratic style now when both are combined in new organization what will be their style is the main question (Banks, 1987).

B. CULTURAL REASONS

As we all know that due to combination of two or more organization a new organization came in to existence that management will start to implement their rules, privileges and rights to the employees. It would be possible that before joint venture strong as well as transparent now it is replaced by frustrated and hatred environment. When it happens surely the efficiency and performance of new workforce will decline. As well all know that human resources is an important source for differentiation and competitiveness for any company, so it is essential to take proper care of human resources as well as make investment in this during the period of new management and environment. In addition to this the method to determine the extent to which an organization can invest in human resource depend upon their financial capabilities.

In this I have studied the case of joint venture of MGM channel of Korea, which I taken in to consideration the problem faced by the manager at the time of joint venture their relative advantages as well as disadvantages.

2.0 EXAMPLE OF JOINT VENTURE**MGM'S WORLDWIDE CHANNEL VENTURES**

Unlike large diversified companies such as Viacom and Time Warner that seek to spread the risk of the new ventures across a wider media business field, MGM seems to mesh well with licensing. The diversification strategy of MGM is limited to the library channel, a less capital intensive business that ensures an outlet for film contents (Litman, 1997)

Nevertheless, the expansion strategy of MGM is significant. In 2002, MGM had ownership interests in both branded and other channels in over 90 countries around world:

- MGM branded channel: 100% owned by MGM (Europe, Africa, Middle East, North Africa),
- 50% owned by MGM: Latin America
- 35 % owned by MGM: Israel, Turkey

- 33% owned by MGM: South Korea
- 30% owned by MGM: South Asia
- 10%~20% ownership interest: USA AMC, WE, IFC, JAPAN, etc.

For the type of channel, MGM generally chose the "library channel" to profit from its enormous library of contents

2.1 ADVANTAGES OF THE BASIC LIBRARY CHANNEL IN KOREA

According to *Porter (1980, p.341)*, decisions to enter a market are usually based on a balanced consideration of cost and benefits in four areas investment required, additional investments to overcome structural entry barriers, potential cost of incumbent firm competition, and expected cash flows from being in the industry. Joint venture was chosen as the entry mode in the case of the MGM Channel Korea.

2.2 THE COST AND BENEFIT FOR MGM CHANNEL JOINT VENTURE WAS THE FOLLOWING:

- Low investment for the programming due to supply from MGM's library
- No entry barrier because a satellite broadcaster would simply carry the channel, unlike a cable operator that would request high entry payments to cover expenses such as marketing
- Guarantee of revenue from Skylife, a satellite platform company In fact, MGM Channel Korea, a distribution outlet of MGM's library and basic channel, didn't seem to take a financial risk. It didn't need significant start-up costs because its programming cost was extremely low compared with programming for pay channels such as HBO Korea (*Erramili, 1990*).

Also, MGM Channel Korea has a revenue guarantee from the newly launched satellite platform company. The shareholders of MGM Channel Korea wanted to secure the profit pool from the relatively new satellite market rather than from the cable market, which was extremely competitive at the time.

The joint venture of MGM Channel Korea seems to have had no large financial risks and offered assured returns. These were the most attractive factors that led the partners to sign the joint venture agreement promptly. Moreover, the company expected financial performance reported in the business plan shown in

2.3 HIGH ROI (RETURN OF INVESTMENT) OF MGM NETWORKS

The joint venture of MGM Channel in Korea particularly demonstrates its benefits to MGM Networks. MGM Networks recouped its investment in the first year. According to the business plan, MGM Networks would recover its total investment in the first year and it received a guarantee of programming revenue for more than 4 years. Within 3 years, the joint venture company was expected to achieve a breakeven point and return in the fifth year was expected to be US\$ 4.3 million, three times larger than MGM Network's initial investment of US\$ 1.6 million (*Annexure 1*).

2.4 DRAWBACKS OF JOINT VENTURE OF MGM CHANNEL

• MANAGEMENT FAILURE IN JOINT VENTURE

Joint ventures are combinations of two or more companies created to produce a new product or service, or to gain entrance into a new market. Thus, regardless of the motivation, it needs careful management. Each partner hopes to gain access to some resource possessed by the other(s) such as marketing, technology, raw materials or financial, managerial, and political resources (*Katsioloudes, 2002*). The joint venture of MGM Channel Korea was created for the purpose of transferring each others' strength. However, some misunderstanding about the business objectives of the joint company and a mismatch of expectation has often led to conflicts. Table 6 shows the business objective of MGM channel Korea for each partner. Skylife, the satellite platform company promptly provided a channel lineup that included MGM Channel Korea. The brand value of Spectrum DVD, which was about to be listed on the Kosdaq stock exchange, undoubtedly increased by cooperating with MGM Networks. The completion of the agreement between MGM, a major Hollywood distributor, and Spectrum DVD, a small- to medium-sized Korean company, was been covered by several newspapers, and the MGM brand would thus be recognized by the viewers easier than any newly launched channel without a recognizable brand (*Jaemin, 2004*). However, unlike the initial expectations and motivations, each partner focused on their own interests in the new company instead of promoting their common interests. Thus, their relationships soon began to deteriorate because of disagreements between the parties

• MISUNDERSTANDINGS ABOUT THE COUNTERPARTS

The Korean partner has considered MGM Networks almost as an MGM group. Thus, they expected that the MGM Networks would assist them in building a favorable relationship with other MGM subsidiaries because they were not aware that the MGM businesses are clearly separated in the windows from theatrical distribution to video on demand distribution. This misunderstanding was largely due to the different commercial atmospheres in the two countries. It is customary for Korean companies to give privileges to obtain benefits from other products in their sister company (*Annexure 2*).

Unlike the local partners, Spectrum DVD and Skylife, who were not able to capture benefits from the joint venture, MGM Networks accumulated revenue by receiving the programming rights and trademark fees. As a result, MGM Networks recovered its initial investment within a year by simply licensing its content and name. Due to unbalanced advantages shared by the partners, the conflict between the partners grew over time. Finally, Spectrum DVD, tried to sell its shares and avoid further funding, leading the other partners to take extreme measures. When Spectrum DVD decided to stop all investment and sell its shares, MGM Network nullified the attempt by citing the shareholder agreement on sales of shares (*Shrikhande, 2001*).

• LACK OF SUPPORT FROM EACH PARTY

The joint venture benefits neither merit the license fee nor guarantees the provision of competitive contents. MGM Networks offered its films to MGM Channel Korea at a fixed price due to the output deal. Thus, they never suggested exclusivity of titles at the fixed price and MGM also sold them to the competitor of the MGM Channel that pays more than the MGM Channel. No marketing support is offered by MGM Networks for promoting the MGM titles, such as preview tickets for newly released

MGM films because 20th Century Fox Korea provides distribution for MGM theatrical films. This creates no synergy in the company. On the other hand, expected support from local partners for the production of subtitling has not materialized because of disagreement between partners. As a result, the joint venture between MGM Networks and Spectrum DVD has not transferred support from the partners in the form of marketing, technology, ad sales, etc.

2.5 SAFETY DEVICES OR PRECAUTIONS TAKEN

The management structure of the joint venture of MGM Channel Korea contains several safety devices for MGM Networks:

- Equal number of board members even though there is an imbalanced portion of shares
- Deposit of one quarter of the capital as a payment guarantee for
- MGM programming rights
- Deposit from Spectrum DVD to guarantee future funding
- Agreement that all disputes should be resolved in a U.S. court of justice
- The structure and conditions of management by MGM Networks created conditions in which frequent disagreements between local partners and MGM cooled their relationship.

3.0 RECOMMENDATIONS AND CONCLUSIONS

As mentioned earlier, joint ventures are combinations of companies that enter a new market. To achieve great performance of these "contract marriages" between the multi-cultural companies, they need well thought partnerships and managements. At the same time, each partner has to transfer to the joint venture company their resources such as marketing, technology, raw materials, financial, managerial, and political resources. However, even though there were desirable initial motivations for a joint venture and lots of advantages for a library channel, MGM Channel Korea suffered conflict between its partners. This study showed the main reason for the difficulties of managing joint ventures in the Korean market through the case of the MGM Channel in Korea. The Korean media environment has a broadcasting law that restricts foreign equity, sets a programming quota, and controls the number of foreign channels that are directly transmitted. It seems that the Korean media environment remains highly protective. Some major Hollywood channels that seek to circumvent these regulation, which often kickstarts conflict. They try to control the joint venture company closely while making a minimum investment. Even though GM Networks has only one third of the shares in their joint venture, they want to manage the joint venture as if they were the largest shareholder and this uses their market

dominance. Additionally, unequal clauses in the shareholders' agreements are often written by a foreign partner. In such an environment, desirable co-management between the partners became nothing more than an ideal. Such factors create situations in which negotiations between prospective Korean and foreign partners rarely reach an agreement. Even if there is a successful launch of a joint venture, only half are able to sustain their operations in Korea. It seems that the partners of MGM Channel Korea think only of their own interests rather than the joint venture company's interests. The company doesn't receive any kind of support from the partners in terms of programming management and marketing. Also, to avoid further investment, the partners refuse to diversify the strategy of the company. MGM Networks strictly focuses on the payments it receives for MGM programming, a practice that may undermine the long-term vision for a joint venture. Furthermore, the conflict between the partners can have a negative impact on the MGM Channel in Korea and the MGM brand there. The domestic film market in Korea is rising rapidly and major Hollywood distributors time theatrical release of their hit movies to avoid competing with Korean blockbusters. Korean viewers want more domestic programming and tend to like to see current movies so Hollywood branded channels—especially library channels—do not guarantee success despite their many financial benefits from economies of scale as rerun channels. This challenge exists in other markets as well. In Germany, for example, the MGM channel does not operate as a library channel but as a premium channel called the "current movie channel." Korean viewers are enthusiastic about dramas, therefore drama channels are among the top ranked even though they are all rerun channels. It appears that mixed programming of films and drama series could be a good solution rather than the all movie programming offered by the MGM channel Korea and other countries. There are evaluation criteria in manufacturing industries for assessing benefits of partnerships with a foreign company and transferring technology can make a positive contribution to such industries. In the media industry, however, technology is rarely transferred and unequal contracts, unbalanced management by a dominating partner, and primarily serving the interests of foreign partners can create trouble for the future of such partnerships in Korea. In joint ventures risks have to be shared and resources transferred between the partners. Thus, the pursuit of a win-win strategy would be the ultimate resolution for successful partnerships in Korea. Lastly, the concept of a branded channel is effective because of the economies for the scale mentioned earlier. Thus, it could be expected to be more successful in countries in which the domestic movie industry is not largely developed or in which a different entry mode such as merger or acquisition is employed. The performance of the same branded channel in different countries, however, has not been compared in this study. We expect that the economics of branded channels under different Lee-Joint Management of the MGM Channel market entry modes or in different countries will be analyzed in future studies

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ANNEXURE

ANNEXURE 1

FINANCIAL SUMMARY					
(US \$ unless otherwise noted)	Year 1	Year 2	Year 3	Year 4	Year 5
Subscription Revenues	0	0	0	2,959,613	5,165,543
Advertising Revenues	320,944	936,087	1,860,374	3,068,633	4,008,653
Supplemental Fee from Skyclife*	1,415,929	1,966,568	1,966,568	0	0
TOTAL REVENUE	\$1,736,873	\$2,902,655	\$3,826,942	\$6,028,246	\$9,174,196
TOTAL PROGRAMMING	1,839,600	2,023,560	2,214,828	2,424,668	2,654,911
MGM RIGHTS COST	1,260,000	1,386,000	1,524,600	1,677,060	1,844,766
PROMO & INTERSTITIALS	40,000	42,000	44,100	46,305	48,620
SALES & MARKETING	220,236	307,522	542,268	848,192	1,087,249
MGM Brand Trademark Fee	75,000	100,000	125,000	150,000	200,000
Web site Expenses	60,300	29,715	31,200	32,760	34,398
Technical Operations	280,000	294,000	308,700	324,135	340,342
Personnel & Office	477,554	501,432	526,503	552,828	580,470
TOTAL EXPENSES	\$2,992,690	\$3,298,228	\$3,792,600	\$4,378,889	\$4,945,989
EBIT	(\$1,255,817)	(\$395,573)	\$34,342	\$1,649,357	\$4,228,206
EBITDA	(\$1,255,817)	(\$395,573)	\$34,342	\$1,649,357	\$4,228,206

Source: Business plan inserted on joint venture agreement

¹ According to Business Plan, total capital of MGM Channel Korea is 3.9 million dollars (change rate is 1USD=1,150 Won), MGM Networks funding 1.2 million dollars (33%).

² MGM Networks gains revenue over 5 years 8.3 million US\$ (Trademark fee (650,000US\$) + Programming fee (7.7 million US\$)).

ANNEXURE 2

Skyclife (the satellite company)	Spectrum DVD (the largest shareholder)	MGM Networks (the second largest shareholder)
<ul style="list-style-type: none"> • Skyclife needed the renown branded MGM Channel for its channel package in its newly launched satellite platform • To keep exclusively in the satellite channel package, Skyclife guaranteed subscription revenue for three years • Skyclife needed partnerships with major Hollywood distributors, included MGM distribution, to offer pay-per-view service 	<ul style="list-style-type: none"> • Spectrum DVD, the largest shareholder, needed to cooperate with a high brand value company to raise its company value • Through this relationship, Spectrum DVD wanted to make and keep a connection with MGM Home Entertainment for its core DVD distribution business 	<ul style="list-style-type: none"> • MGM Networks wanted to have the simple subsidiary outlet for distributing their library (250 titles per year) • It would not accept diversification of channel activity that would require possible further investment • It wanted to avoid a long-term contract, so set termination of agreement after 5 years

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ABSTRACT

India is one of the fastest growing economies of the world. Yet the 2010 Human Development Index ranks India as a middle level country in the bottom third at 119 of 169 countries on the human development index. The Voluntary sector or non-governmental Organizations have emerged as a new force contributing to social upliftment and economic development. India is estimated to have 3.3 million registered NGOs. NGOs are engaged in development work in the remotest of areas in a variety of areas like health, education, water, environment, human rights SCs/STs, women empowerment, child rights, disability, etc ensuring that people get their entitlement. But in our country people rightly remarks that, "Bekar baithane se achha hain NGOs chalo aur paisa banao" what it really means, without work, make money by just doing paper formalities with doing fraud and cheat to poor people in rural areas. So for that promoting good governance in the management of NGOs (Non-governmental organisations) is required.

KEYWORDS

Good governance, accountability, management & evaluating.

INTRODUCTION

 **Good governance** means the effective management of an NGOs resources in a manner that is open, transparent, accountable, equitable and responsive to people's needs. The rule of law, transparency, accountability and effectiveness of NGO management are all essential components of good governance. This issue of governance is now widely regarded as one of the key ingredients for poverty alleviation and sustainable development which NGOs must not lose sight. There are vital leakage between good governance and sustainable developments. Since most NGOs are aimed at becoming sustainable then good governance becomes a vital aspect of NGOs existence. Participatory approach or management is essential to the achievement of sustainable development because it helps to ensure good accountability and effectiveness. NGOs in developing countries often lack institutional capacities and resources. Funds from donors are poorly managed. To ensure effective and proper management of resources, good governance becomes an important aspect of every NGO. NGOs need to be accountable for their actions and performance. Without such accountability, NGOs face no pressure to meet reasonable standards of governance and to ensure that an acceptable standard of human, financial and material management is maintained. The achievement of accountability, participation and effective institutions is not easy. They require a considerable range of technical expertise, skill and commitment of resources. We can now look at how good governance can be promoted in NGOs.

ACCOUNTABILITY OF NGOS

Ensuring the accountability of NGOs involves first of all creating the conditions which will allow for open expression of views, free dissemination of information and the rule of law which is essential to the effective functioning of every NGO. NGOs in India are being challenged and address issues concerning their accountability and representatives. The key question being asked are:

- To whom are NGOs accountable?
- Who or what do they represent?

The debate around these questions has grown as NGOs have come to extend the scope, breadth and depth of their work, and as their structures have come to include both private and participatory forms of control and various forms of incorporated or unincorporated entities.

The questions appear at first sight to have answer. An incorporated private NGO is controlled by and thus accountable to a Board of Management or trustees. These people derive no financial gain from the Organisation, and thus are independent in the sense that they do not have the vested interests even staff or those served by the NGO may have. In the participatory and thus also accountable to be its members. More broadly, NGOs are accountable to the wider public through processes of registration and regulation. They will also be accountable to funders through agreed reporting arrangements.

NGOs working with marginalised and disadvantaged people see themselves as representing the interests of such people. Those NGOs which are more involved in a particular aspect of disadvantage or with an issue of affecting the well-being of society as a whole see themselves as representing a cause of some kind rather than a specified group of people. In both cases the representation will be stronger where the NGO has a participatory rather than a private structure. But issues of the accountability and representatives of NGOs are more complex than the above might suggest.

The fact that it is not that simple is implicit in particular aspects of the above discussion. The private NGOs, can thus in reality be accountable to nobody but themselves. Private NGOs can also be used by individuals to pursue their egotistical or political ambitions under the guise of representing people or causes. Organizations which claim to be participatory organisations can, when closely scrutinized, turn out to have a narrow, disenfranchised or "token" base of membership, and thus in reality be privately controlled or even used for fraudulent purposes.

Just as the existence of a small number of fraudulent NGOs can bring the financial integrity and honesty of the great majority of NGOs into needless doubt, so too do the small number of NGOs that are unaccountable and unrepresentative attract unwarranted doubt and criticism to the majority. Most NGOs are controlled by people acting out of genuine personal concern and commitment and operating with standards of honesty and integrity.

There are a number of ways in which NGOs can improve the quality of their governance and operations and these are outlined in the following sections. Many NGOs already recognise the need for such improvements. Signs of them being made are abundant as are debates about issues raised by the changes and the following sections try to reflect them.

IMPROVING NGO GOVERNANCE AND OPERATIONS

NGOs are improving both their governance and operations in the following ways:

- Stating their mission, values and objectives clearly and ensuring that their strategies and operations are at all times within them;
- Better management processes as well as financial management, accounting and budgeting, systems;
- Better human resource development and training within the organisation-of managers, administrators, project staff, board members, beneficiaries, members and volunteers;
- Better procedures to ensure that men and women have equal opportunities to participate effectively at all levels of the organisation, from members to leaders;
- Better means by which both the organisation, and its projects, services and activities are monitored, evaluated, and reviewed.
- Better information provision by and about NGOs.
- Better networking and alliance-building among NGOs.

MANAGEMENT

Work in NGOs has always been demanding. It has traditionally attracted people having high ideals, boundless energy, creativity, commitment and resilience. It is a sector which has a high level of female participation among volunteers and staff as well as at a leadership level. Indeed, in some countries, such as Jamaica. The majority of NGO leaders are women. The explosion of NGO activities over the recent past has not only been quantitative, but qualitative, too. As has been noted, NGOs can now be very large and complex entities, financing and running their own programmes as well as being contracted by government and others to be providers and deliverers of public services. They may simultaneously operate a number of activities, from service delivery to advocacy and campaigning. At the same time they will be seeking funds for their work from a wide range of sources, and applying these funds to their work in the most effective and efficient manner. They will also constantly review, monitor and plan their work. They have to be able to mobilise the creative energies of a team including paid staff, Board members, volunteers, members and beneficiaries. They need to inspire as well as manage. In participatory NGOs, managers also need to know how to work with people rather than administer unto them. Many NGOs work in insecure circumstances, by virtue of having to rely on funding from external sources. All this means that NGO managers have to be a unique breed of men and women. It is however recognized that: - the personal qualities of the unique breed need to be supplemented and complemented by the possession of knowledge and skills relevant to the NGO's activities, provisions and target groups, and to the tasks involved in the management of the organisation as a whole. The personal qualities and dispositions of NGO managers are not enough in themselves to sustain and enhance the work and development of the organisations, in other words: efficient and effective management and financial systems are essential in NGOs.

HUMAN RESOURCE DEVELOPMENT (HRD) AND TRAINING

NGO work is much more difficult and demanding than many realise, as managers do and staff moving from the private sector and public sector to work in them have found. NGOs often undertake projects of a very demanding scale and complexity with limited resources. Yet the myth that NGO work is undemanding lives on.

More and more, NGO management training is regarded as a distinctive task in a number of countries, agencies have been established to provide it, and such agencies are often constituted as NGOs themselves. The distinctive HRD and training needs of Boards, members, volunteers and programme beneficiaries are also being increasingly identified and responded to. This is based on the recognition that it is as important to have a well trained and effective Board, for example, as it is to have qualified and competent staff, properly trained volunteers and aware, able beneficiaries. Well trained and informed Boards are less dependent on staff and more able to ensure that they are properly accountable.

Some of these new NGO HRD/training initiatives have an international orientation. Others offer research and consultancy services to NGOs as well as training programmes. At the same time more and more NGOs are recognising the need to allow time and resources for training, both in-house and outside.

Funders are doing the same: indeed some training initiatives have been set up at their instigation or with their active support and involvement. All that said, there is an oft-repeated view that too little investment is still being made by NGOs and their funders in this aspect of their work.

In NGOs, as in other sectors, HRD begins with being able to attract and retain staff of the right calibre. In part this means being able to offer salaries and conditions of service that are as adequate and secure as possible. Many people involved in NGOs agree that the insecurity of work in them is a major problem. Job insecurity in the NGO sector affects both men and women but not always in the same ways. Labour force studies in many countries show that women tend to be concentrated in the low-waged service sector, which includes many NGOs. This may be one of the factors explaining the large number of women employed in NGOs which have generally emerged from the welfare sector.

Even where NGOs are contracted to deliver public services, as they increasingly are. This is not bringing an end to job insecurity in NGOs. This is because the trend towards contracting out such services is often being accompanied by trends towards applying market place economics to the delivery of public programmes. This means NGOs compete with each other and even with private providers to secure contracts. Trends in this direction are well advanced in a number of countries. They are stimulating a great deal of debate, not just about security. Many NGOs question whether human needs, issues and problems should be seen as "markets" within which competition takes place.

Funders and contracting agencies have key roles to play in this aspect of HRD in NGOs. From the subject of adequately remunerating NGO staff there has grown another debate, one that is about the general "professionalism" of NGOs and their staff. One view holds that NGO staff should be paid comparable rates with staff in other sectors, based on a recognition of the demanding nature of their work and to ensure the respect of their peers in other sectors. Another view sees NGO staff as people who should be selfless, poorly paid workers and dedicated amateurs rather than slick professionals. There are undoubtedly NGOs which have gone to extremes here:

"(NGOs are) now an industry in which lots of money can be made. For example some have budgets of about 1 billion per year. The salary of some is kept in line with top government officials. (This) welfare elite (has developed) while (such) leaders are publicly condemning poverty..."

The debate is complex. Other issues come into it, including those of control, accountability and representation discussed earlier:

"Many voluntary agencies have become generally centralised in power. Their directors have turned autocratic, and are not guided by any democratic process... There is very little identity with the people with whom they work... the very antithesis of that prevailing in genuine people's organisations... To the people (NGOs) are become middlemen... they are new breed of top elites, replacing landlords and moneylenders... often seen by people as exploiters and lies tellers..."

NGOs, therefore, walk a thin line between being on the one hand professional, and achieving it by paying adequate salaries and investing in staff development, and on the other hand, retaining their traditional values and ability to be effective and efficient. It is not an easy line to walk. The NGO sector is inevitably affected by trends in other sectors in society, by labour market forces, and by prevailing social attitudes, which increasingly lean towards individualism. To an extent, NGOs have to live with these trends and are inevitably affected by them. NGOs, however, have to keep in mind the values and non-self-serving aims which drive them, and express them in all aspects of their work. These values are a needed counter-force, especially in societies where self-serving individualism becomes extreme. NGOs are recognising this.

REVIEWING, MONITORING AND EVALUATING

Almost by definition, NGOs are organisations that are constantly changing and evolving. Thus monitoring and evaluation activities are of critical importance to them because they are the means by which change and evolutions can be guided, rather than be serendipitous or opportunistic. Monitoring and evaluation are also valuable ways of capturing accumulated experience and expertise that is all too easily lost when rapid changes occur either within organisations or in the environments in which they operate.

In addition, many NGOs recognise that carrying out their own evaluation and monitoring, as a matter of course, is preferable to having external evaluations, and all the disruption and uncertainty they can cause, imposed on them by others. NGOs are thus increasingly recognising the need to enhance their work by having their own procedures in place for constant monitoring and regular evaluation. More and more NGOs, mount such exercises in respect of particular programmes and projects. Less common are wholesale reviews or evaluations of entire organisations, but these do occur. There is a growing body of literature and training related to monitoring and evaluation. A number of organisations have been established to assist NGOs with evaluation and/or with reviewing or generally reflecting upon their work, some national and some international in their scope.

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ENVIRONMENTAL ACCOUNTING AND CORPORATE SOCIAL RESPONSIBILITY: AWARENESS & BENEFITS OF SELECTED COMPANIES IN BANGALORE

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ABSTRACT

The social and environmental issues and the impact of them on the decision making process have been increasingly given attention to the financial reporting. Over time there are many studies about Social and Environmental accounting that have different views and arguments on the importance to the corporate report. In developed countries, the social and environmental accounting has joined the financial report and annual report; however it is still a new concept to Indian companies. The objective of this study is to assess the understanding of selected people on the social and environmental concept, their implementation on companies in Bangalore. In order to collect data for the research, questionnaire survey will be used as a helpful method. The finding uncovers that although most people understand the importance of social and environmental activities and having corporate social responsibility reports, few of companies is able to quantify the cost and benefits of social and environmental activities as in the financial report.

KEYWORDS

environmental accounting, corporate social responsibility, social protection.

INTRODUCTION

The evolution of corporate social responsibility in India refers to changes over time in India of the cultural norms of corporations' engagement of corporate social responsibility (CSR), with CSR referring to way that businesses are managed to bring about an overall positive impact on the communities, cultures, societies and environments in which they operate. The fundamentals of CSR rest on the fact that not only public policy but even corporate should be responsible enough to address social issues. Thus companies should deal with the challenges and issues looked after to a certain extent by the states. Among other countries India has one of the richest traditions of CSR. Much has been done in recent years to make Indian Entrepreneurs aware of social responsibility as an important segment of their business activity but CSR in India has yet to receive widespread recognition. If this goal has to be realized then the CSR approach of corporate has to be in line with their attitudes towards mainstream business- companies setting clear objectives, undertaking potential investments, measuring and reporting performance publicly.

Environmental and social protection is the urgent task of each enterprise, each level, each sector, and each country. For any economic sector, the development is always linked to the sustainability of environment and society. In the long term, the responsibilities of the enterprises to the environmental and social issues shall be an important factor to increase the profit of these enterprises. Thus, the enterprises are required to balance between the economic benefits and social and environmental contributions, implementing the responsibilities of the enterprises to the environment through particular actions such as: environmental impact assessment, paying environmental tax, classifying and treating solid waste, minimizing the costs on materials, fuel and reducing the costs for waste. Especially in the background of international economic integration and globalization, the competition is fierce and fiercer, many enterprises only concern on their short-term benefits and have decisions and actions with negative impacts on the environment; as a result, they have to pay the penalty for their actions when the consumers and the society boycott.

REVIEW OF LITERATURE

Judy L. Holcomb, UCF Rosen College of Hospitality Management, Orlando, Florida, USA(2007) their study examines that ascertain the level of socially responsible behavior of the top ten hotel companies. The findings reveal that 80 percent of the hotel companies analyzed reported socially responsible activities relating to some form of charitable donations. A diversity policy was reported by 60 percent of the hotel companies, while 40 percent provided some mention of SR in their vision or mission statements. Some companies were highly focused on providing a balanced approach to SR while other hotel companies were less focused in their efforts.

Yu-Chin (Jerrie) Hsieh USA(2012) In his paper is to analyze the environmental management policies and practices of the top 50 hotel companies as disclosed on their corporate web sites. Only 46 per cent of the selected hotel companies used web pages to post information related to environmental issues on their public web sites. The web pages of Wyndham, IHG, Accor, Whitbread, Hyatt, Rezidor, Sol Melia, TUI, and Scandic featured more revealing environmental information than that posted by other companies, which indicated their environmental commitment and engagement

Prof. Sidharta Utama in his Research paper stated that the role of regulator in promoting Corporate Social Responsibility (CSR) and b. identify and evaluate the infrastructures necessary for accountant able CSR reporting using the case of Indonesia. The essay suggests that regulator can promote CSR by creating conducive infrastructures for CSR. For CSR reporting these include a. the existence of globally accepted reporting standard/guidance on CSR reporting, b. the existence of globally assurance standard for CSR reports.

Osemene, O .F (2012) his study on impact of corporate social responsibility (CSR) practices in the Nigerian telecommunication industry (2006 – 2011) by evaluating the factors influencing CSR adoption. Primary data were obtained from pretested questionnaire administered to 400 respondents (stakeholders and telecommunication staff) across the six geopolitical zones of Nigeria using a purposive sampling technique. Secondary data on the annual reports of the company (2007-2011) were examined. Data were analyzed using appropriate descriptive and inferential statistics at P<0.05 significant level.

STATEMENT OF THE PROBLEM

Recently the public is watching closely to pressing cases of violating business ethics and destroying the environment and health at serious level such as waste chemicals are discharging untreated wastewater directly to Hele mariyappa lake by Cipla Company in Bangalore. The wrong-or right of the above cases are clear. However, for the society and thousands of operating enterprises, the issue of Cooperate Social Responsibility (CSR) is set up and requires to be discussed seriously in terms of policy argument and practice. What should a company do to be evaluated by the society as a good company with sustainable development? What are the responsibilities of the state management agencies? Which level should the law regulate about the corporate social responsibility? The issue is that how we can rely on the voluntary investment of the enterprises when there is lack of legal framework, regulations and necessary monitoring of the society and the community. Lessons show that the power of profit can make the enterprises blind and irresponsible by hiding their legal actions and the voluntary investment of the enterprises is very limited.

OBJECTIVES OF RESEARCH

- 1) To investigate the Perception of Employees about CSR and Environmental and Social Accounting in selected companies;
- 2) To understand the current implementation of CSR and Environmental and Social Accounting in sample companies.

HYPOTHESIS

1. There is a correlation between Environmental Accounting and Business Policy of the firm to achieve competitive advantage.
2. Conscious reduction in environmental costs, benefits and contingencies will enhance environmental performance of the organization

RESEARCH METHODOLOGY

Both Primary data Secondary data are used for the study. Primary data is new information collected by the researcher for a specific purpose. There are several ways to collect data such as through interview, questionnaire, case study, or observation. In this research, the questionnaire survey will be conducted to gather primary information define a questionnaire.

Secondary data may be taken from many sources such as company information (internal and external), government agencies, and internet-based resources. These data can be qualitative, quantitative, raw data, or compiled data. In this research, the secondary data sources are collected through public materials such as books and journals in the library, internet, official company's website and government investigation reports. In this research, a sample is taken from respondents in Infosys, L&T, ABB, and Kennametal (widia) Inc, Four big companies specializing in Software and Manufacturing. They are leading companies in their sector, therefore, this sample can be considered as a representative for the study.

Introduction of Sample Companies

Name of the Company	Infosys Limited
Nature of Industry	IT services and IT Consultancy
Year of Establishment	1981
Operate in?	Worldwide
Registered Office	Bangalore, Karnataka, India
Founders	N.Narayanamurthy
Vision	"We will be a globally respected corporation."
Mission	"Strategic Partnerships for Building Tomorrow's Enterprise."
Values	We believe that the softest pillow is a clear conscience. The values that drive us underscore our commitment to

Name of the Company	L&T Inc.
Nature of Industry	Conglomerate
Year of Establishment	1938
Operate in?	Worldwide
Registered Office	Mumbai, Maharashtra, India
Founders	Henning Holck-LarsenSøren Kristian Toubro
Chairman & MD	A. M. Naik
Vision	To develop a premier world class education centre, for creating global project management professionals, thereby making Larsen & Toubro (L&T) a centre of excellence in project management.
Mission	To develop and deliver high quality education and research in project management in consonance with the vision of L&T by providing state-of-the-art infrastructure and learner friendly atmosphere with innovative pedagogy thereby creating a pool of world class and socially responsible project professionals
Values	Agility, Dependability, Innovation, Integrity, Meritocracy & Fairplay, Passion Teamwork

Name of the Company	ABB Limited
Nature of Industry	Electrical Equipment
Year of Establishment	1988
Operate in?	Worldwide
Registered Office	Zürich, Switzerland
CEO	Joe Hogan
Vision	Power and Productivity for a Better World
Mission	<ul style="list-style-type: none"> • Continued focus on power and automation • Market outlook and ABB's leading positions allow for continued value generation – we are in the right business! • Increasing customer emphasis on environmental issues and energy efficiency opens new opportunities
Values	<ul style="list-style-type: none"> • With Clients: Independence, Integrity & Customer Insight • With Colleagues: Respect, Cooperation & Developing Career • With Company: We together contribute and share benefits

Name of the Company	Kennametal
Nature of Industry	Metals
Year of Establishment	1938
Operate in?	Worldwide
Registered Office	Latrobe, Pennsylvania
Founder	Philip M. McKenna
Vision	To achieve profitable growth of more than 10% per year and to maintain market leadership"
Mission	<ul style="list-style-type: none"> • Be responsive to customer needs and develop, manufacture and supply high tech. quality products and services to enhance their productivity and reduce costs • Train, motivate and provide a growth oriented environment to employees and encourage team work, mutual co-operation and support team members to achieve peak performance • Encourage innovation and creativity to stay ahead of the competition • Give necessary support to suppliers, sub-contractors and business associates, to enable them to meet the companies requirements on a continual basis
Values	<ul style="list-style-type: none"> • At Kennametal, we take seriously our global commitment to our values. • We're committed to programs that ensure the health and safety of our employees and the environment. • We believe to be truly successful in business we not only must meet, but should strive to exceed, our environmental and social responsibilities.

RESULT AND DISCUSSION

The questionnaire is given to 200 respondents; however, there are only 108 people respond to the questionnaire, 92 other people refuse to answer. The filled-in questionnaire is going to be classified into categories of age, gender, and question's number bases. As the research's intention, this research will study about many selected companies in Bangalore. But in fact, as for the limitation in time and capacity, the research only studies two companies. This section is merely the description and analysis of the results collected and calculated. That is for the overall picture of the results which will help to explain the findings of this research in the next section.

1. DESCRIPTION OF RESPONDENTS' INFORMATION

When answering the questionnaire, respondents are asked to provide some personal basic information, which are Name, Age, and Gender. With 8 questions sent to 200 people such as managers, employees, customers, receiving 108 results. This information is gathered as follows:

1. Description of respondents' age

Based on collected data, respondents from 18 to 25 years old are 9 people, equal to 8.00 %; respondents who are from 25 to 35 years old are 39 people, hold 36.00 %. Other respondents are people from 35 to 45 years old, 27 people, as 25.00 %; from 45 to 55 years old, 18 people, equal to 17.00 %; and from 55 to 65 years old, 15 people, as 14.00 %.

2. Description of respondents' gender

It is easily to see that among 108 respondents, 63 people are male, equals 58.00 %, and the rest, 45 people are female, equal 42.00 %.

2. DESCRIPTION AND ANALYSIS OF RESPONDENTS ABOUT THE AWARENESS OF SOCIAL AND ENVIRONMENTAL ACCOUNTING

The awareness of respondents about SEA is reflected in first three questions as follows:

2.1: The first question of SEA asking the respondents is: "I understand the meaning of "Social and Environmental accounting." This question is asked for making sure that the understanding of SEA concept in the real life situation.

Understanding the meaning of "Social and Environmental Accounting"

Most of the respondents have chosen: "Neutral". Among 108 respondents, only 5 people or 4.6 %, chose the answer of "Strongly Agree", 16 people chose the answer of "Agree" or 14.8 %, 54 people respondents "Neutral" equal 50.0 %, 22 people chose "Disagree" corresponding 20.4% and 10.2% or 11 people with the most answer is strongly disagree. It means that people in society have little awareness of SEA, which is the first stage to implement SEA to wider range of business. In developed countries, the social and environmental accounting has joined businesses' activities for a long time. In developing countries as Vietnam, the concept of SEA has not been introduced adequately; therefore it is quite new and not popular.

2.2 I am aware of the link between social and environmental accounting and Sustainable Development.

This question is asked for making sure that the understanding of SEA concept in the real enterprise situation. Even though the percentage of respondents choosing "Agree" and "Neutral" is higher than the ones choosing "strongly agree" and "disagree"; there is obvious that the number of respondents who have chosen "disagree" decreases compared to the previous question is 10% and no answer with "strongly disagree".

Question 3: "The cost and benefit of social and environmental issues should be quantified in the Social and Environmental report?"

The analysis stated that the respondents chosen among 108 respondents, 22 people or 20.4 % chose the answer of "Strongly Agree", 32 people chose the answer of "Agree" and 32 people respondents "Neutral" or 29.6 %, 11 people chose "Disagree" and 11 people with the most answer is strongly disagree or 10.2%. It is visible that a large number of respondents agree with this statement. The social and environmental activities are a part of their company's operation; however, there is lack of quantitative detail such as cost and benefit analysis for SEA.

3. DESCRIPTION AND ANALYSIS OF RESPONDENTS ABOUT THE IMPLEMENTATION OF SOCIAL AND ENVIRONMENTAL ACCOUNTING

3.1 "Implementing social and environmental accounting is important to the sustainable development of company."

Description of Result - Among 108 respondents, 32 people or 29.6 %, chose the answer of "Strongly Agree" and "Neutral", 22 people chose the answer of "Agree" or 20.4%, 16 people respondents "Disagree" equal 14.8 %, 6 people with the most answer is strongly disagree or 5.6%. Most respondents have the judgment of the importance of implementing SEA at their companies. However, a number of 29.6% respondents that has a neutral opinion mean that the implementation of SEA is not adequately taken into account in their company.

3.2: Company voluntarily involves in developing or supporting environmental and social programs

Description of Result – Question 3.2

The result for this question is that 22 people or 20.4 %, chose the answer of "Providing charitable funds" and "Participating into gratitude events", 32 people chose the answer of "Supporting people in flood areas" or 29.6 %, 11 people respondents "Educating the awareness of environmental protection" equal 10.2 %, 5 people chose "Preventing air pollution/ water pollution" or 4.6 % and 16 people with the most answer is "Collecting, recycling, reuse, and proper disposal of products" or 14.8%.

Question 3.3: Company has an accounting system to quantify the cost and benefit of social and environmental programs.

Description of Result- There are 16 people or 14.8 %, chose the answer of "Neutral", 86 people chose the answer of "Disagree" or 79.6 %, 6 people respondents "Strongly disagree" equal 5.6 % and none of them chose "Strongly agree" or "Agree". The reason for this change is due to the changing customers' perceptions of eco-friendly products and major changes in societal conditions. In India, the enterprise does not have cost/benefit calculation that considers the contributions to social and environmental solutions for reducing social and environmental impacts and improving social equity and environmental conservation developments. The administration benefits take into account of the economic benefits from enhancing the customers' understandings of the company's effort to reduce social and environmental impacts that has not been applied.

Question 3.4: It is necessary to include the Social and Environmental report in the annual report or sustainability report

In this question, respondents were asked "It is necessary to include the Social and Environmental report in the annual report or sustainability report". The result for this question is that 32 people or 29.6 %, chose the answer of "Strongly Agree", 43 people chose the answer of "Agree" or 39.8 %, 22 people respondents "Neutral" equal 20.4 %, 11 people with the most answer is "Disagree" or 10.2% and none of people chose "Strongly disagree".

Description of Result -The results showed that most of selected managers questioned are aware quite clearly of the importance of CSR issues in the enterprise, as well as "Environmental and social accounting" that should be included in financial statements or annual report in the enterprise itself. It is also the rules of business ethics, and they perceive their roles beside the profit in business, they are responsible for the environment and society where the enterprise is operating. It is also found that they had become aware of long-term benefits and firm development of the enterprise in the future; there will be big contribution of SEA to accompany the products and services that the society recognizes that enterprise.

FINDINGS

- Based on collected data, respondents from 18 to 25 years old are 9 people, equal to 8.00 %; respondents who are from 25 to 35 years old are 39 people, hold 36.00 %. Other respondents are people from 35 to 45 years old, 27 people, as 25.00 %; from 45 to 55 years old, 18 people, and equal to 17.00 %; and from 55 to 65 years old, 15 people, as 14.00 %.
- Most of the respondents have chosen: "Neutral". Among 108 respondents, only 5 people or 4.6 %, chose the answer of "Strongly Agree", 16 people chose the answer of "Agree" or 14.8 %, 54 people respondents "Neutral" equal 50.0 %, 22 people chose "Disagree" corresponding 20.4% and 10.2% or 11 people with the most answer is strongly disagree. It means that people in society have little awareness of SEA, which is the first stage to implement SEA to wider range of business
- Respondents chosen among 108 respondents, 22 people or 20.4 % chose the answer of "Strongly Agree", 32 people chose the answer of "Agree" and 32 people respondents "Neutral" or 29.6 %, 11 people chose "Disagree" and 11 people with the most answer is strongly disagree or 10.2%. It is visible that a large number of respondents agree with this statement.

- Among 108 respondents, 32 people or 29.6 %, chose the answer of "Strongly Agree" and "Neutral", 22 people chose the answer of "Agree" or 20.4%, 16 people respondents "Disagree" equal 14.8 %, 6 people with the most answer is strongly disagree or 5.6%. Most respondents have the judgment of the importance of implementing SEA at their companies. However, a number of 29.6% respondents that has a neutral opinion mean that the implementation of SEA is not adequately taken into account in their company.
- 20.4 %, chose the answer of "Providing charitable funds" and "Participating into gratitude events", 32 people chose the answer of "Supporting people in flood areas" or 29.6 %, 11 people respondents "Educating the awareness of environmental protection" equal 10.2 %, 5 people chose "Preventing air pollution/ water pollution" or 4.6 % and 16 people with the most answer is "Collecting, recycling, reuse, and proper disposal of products" or 14.8%.
- There are 16 people or 14.8 %, chose the answer of "Neutral", 86 people chose the answer of "Disagree" or 79.6 %, 6 people respondents "Strongly disagree" equal 5.6 % and none of them chose "Strongly agree" or "Agree". The reason for this change is due to the changing customers' perceptions of eco-friendly products and major changes in societal conditions.
- CSR issues in the enterprise, as well as "Environmental and social accounting" that should be included in financial statements or annual report in the enterprise itself. It is also the rules of business ethics, and they perceive their roles beside the profit in business, they are responsible for the environment and society where the enterprise is operating.

SUGGESTIONS

Environmental information to help make management decision on pricing, controlling overhead and capital budgeting, and external use, disclosing environmental information of interest to the public and to the financial community. Hence, it is suggested that environmental accounting concepts must be clysters cleared for the public, financial communities and others gain knowledge on environmental accounting and to know far it is useful to the stakeholders.

CONCLUSION

Within the macro view, the environmental protection, business growth and social efficiency, is always in conflict. Also for enterprise, growth pressure or business effect can transgress the environment protection, unless the authorities or consumers interfere. Each product selected by consumers can be considered as a vote for the enterprise. The more votes there are, the better it is for the growth of the enterprise. The problem is whether the consumers are aware of and use selecting right effectively or not.

LIMITATIONS OF THE STUDY

In this Article, some limits can affect the accurate and enough result for a Research Paper. Firstly, it can be mentioned that selecting business enterprise of executives are not ready to give information because of Company policy. Secondly, answers were only selected precipitately other than practical natural world. Or answers are to help, other than taking time for each situation. All above matters affect the survey result, small or big. Therefore, with those basic limitation and difficulties during researching, the research can give the best result in aspect of small research.

SCOPE FOR FURTHERS RESEARCH

Environment Accounting new to our India context, the above research topic, if it is carried out better in the future, there will be some more specific experiences as well as plans to improve and give more satisfactory 54 Result. Firstly, this research shall be widen more to enterprises, there will be more time to collect survey data, and there will be more approaching methods such as direct interview. In addition, questionnaire will be given more suitably for each subject, and it can be divided each question for each different knowledge level to related problems.

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