

# INTERNATIONAL JOURNAL OF RESEARCH IN COMMERCE, ECONOMICS & MANAGEMENT

I  
J  
R  
C  
M



A Monthly Double-Blind Peer Reviewed (Refereed/Juried) Open Access International e-Journal - Included in the International Serial Directories

*Indexed & Listed at:*

Ulrich's Periodicals Directory ©, ProQuest, U.S.A., EBSCO Publishing, U.S.A., Cabell's Directories of Publishing Opportunities, U.S.A.,

Open J-Gate, India [link of the same is duly available at Infilbnet of University Grants Commission (U.G.C.)],

The American Economic Association's electronic bibliography, EconLit, U.S.A.,

Index Copernicus Publishers Panel, Poland with IC Value of 5.09 & number of libraries all around the world.

Circulated all over the world & Google has verified that scholars of more than 3770 Cities in 175 countries/territories are visiting our journal on regular basis.

Ground Floor, Building No. 1041-C-1, Devi Bhawan Bazar, JAGADHRI – 135 003, Yamunanagar, Haryana, INDIA

<http://ijrcm.org.in/>

# CONTENTS

Sr. No.	TITLE & NAME OF THE AUTHOR (S)	Page No.
1.	<b>CORPORATE SOCIAL RESPONSIBILITY AND ITS IMPACT ON SCHOOL EDUCATION</b> <i>DR. GOPAL KRISHNA THAKUR</i>	1
2.	<b>A STUDY ON NATIONAL POLICY FOR OLDER PERSONS</b> <i>DR. RASHMI RANI AGNIHOTRI H.R &amp; K.S MALIPATIL</i>	5
3.	<b>IMPACT OF MICRO AND MACRO ENVIRONMENTAL ANALYSIS IN THE BANKING SECTOR OF ZAMBIA: A STRATEGIC PLANNING PERSPECTIVE</b> <i>DR. B. NGWENYA &amp; E. MASAMBA</i>	11
4.	<b>A STUDY ON EXTENSION AND IMPLEMENTATION OF INTERMEDIATION BY MUTUAL FUNDS WITH SPECIAL REFERENCE TO INDIAN MUTUAL FUND INDUSTRY</b> <i>G.V.MRUTHYUNJAYA SHARMA, DR. M.G.KRISHNAMURTHY, DR.MAHESHA KEMPEGOWDA &amp; DR. C.SRIKANT</i>	14
5.	<b>REINFORCING CONVENIENCE AND COMFORT FACTORS FOR MOTIVATING TRAINERS</b> <i>DR. P.S RAVICHANDRAN</i>	25
6.	<b>IMPACT OF KNOWLEDGE ECONOMY ON FIRM PERFORMANCE: THE EFFICIENCY OF COMPANIES IN KNOWLEDGE ECONOMY</b> <i>SHAHZAD GHAFOOR</i>	28
7.	<b>AN EMPIRICAL STUDY ON EMPLOYEE WELFARE MEASURES IN SELECTED PUBLIC SECTOR ENTERPRISES</b> <i>DR. RAJNALKAR LAXMAN &amp; SAHANA .L.</i>	33
8.	<b>WOMEN ENTREPRENEURSHIP FACED VARIOUS HURDLES IN SMEs AT TAMIL NADU</b> <i>DR. M. KOLANGIYAPPAN</i>	39
9.	<b>EMPLOYMENT, UNEMPLOYMENT AND REASONS FOR ABSENTEEISM OF RURAL LABOUR HOUSEHOLDS: A STUDY IN CHITTOOR DISTRICT OF ANDHRA PRADESH</b> <i>DR. TRIPURANENI JAGGAIAH</i>	43
10.	<b>RURAL CREDIT THROUGH CO-OPERATIVES IN SHIVAMOGGA DISTRICT</b> <i>VINAYA.L &amp; DR. SURESHRAMANA MAYYA</i>	46
11.	<b>e-WASTE: A THREAT TO HEALTH AND ENVIRONMENTAL SUSTAINABILITY</b> <i>DR. S. M. JAWED AKHTER &amp; MOHD WASEEM</i>	49
12.	<b>A STUDY ON THE SERVICE QUALITY AND LEVEL OF CONSUMER SATISFACTION IN PRIVATE SECTOR BANK OF INDIA</b> <i>DILIP KUMAR JHA</i>	53
13.	<b>GENDER INEQUALITY ISSUES IN ENTREPRENEURSHIP IN MANIPUR</b> <i>DR. LAIRENLAKPAM BIMOLATA DEVI</i>	56
14.	<b>QUALITY OF WORK LIFE OF THE EMPLOYEES IN TAMIL NADU TEA PLANTATION CORPORATION LIMITED, COONOOR</b> <i>P.GAYATHRI</i>	61
15.	<b>ROLE OF HUMAN RESOURCE MANAGEMENT IN MODERN ERA</b> <i>POOJA BHUTANI</i>	65
16.	<b>ROLE OF MICROFINANCE IN ECONOMIC EMPOWERMENT OF WOMEN</b> <i>KOSHY C.J</i>	70
17.	<b>ANALYSIS OF INTER-LINKAGES BETWEEN OFFSHORE NDF RUPEE MARKET AND ONSHORE RUPEE MARKETS: A REVIEW OF LITERATURE</b> <i>SANCHITA DHINGRA</i>	74
18.	<b>THE ROLE OF CHEMICAL FERTILIZERS AND PESTICIDES IN SUSTAINABLE AGRICULTURAL DEVELOPMENT IN INDIA</b> <i>ANITA KUMARI</i>	80
19.	<b>FACTORS AFFECTING WOMEN SELF-EMPLOYMENT IN PUNJAB: A CASE STUDY OF PATIALA DISTRICT</b> <i>DEEPIKA</i>	85
20.	<b>RURAL DEVELOPMENT THROUGH MICROFINANCE AND WOMEN EMPOWERMENT</b> <i>KAHKASHAN KHAN</i>	92
	<b>REQUEST FOR FEEDBACK &amp; DISCLAIMER</b>	95

**CHIEF PATRON**

**PROF. K. K. AGGARWAL**

Chairman, Malaviya National Institute of Technology, Jaipur  
(An institute of National Importance & fully funded by Ministry of Human Resource Development, Government of India)  
Chancellor, K. R. Mangalam University, Gurgaon  
Chancellor, Lingaya's University, Faridabad  
Founder Vice-Chancellor (1998-2008), Guru Gobind Singh Indraprastha University, Delhi  
Ex. Pro Vice-Chancellor, Guru Jambheshwar University, Hisar

**FOUNDER PATRON**

**LATE SH. RAM BHAJAN AGGARWAL**

Former State Minister for Home & Tourism, Government of Haryana  
Former Vice-President, Dadri Education Society, Charkhi Dadri  
Former President, Chinar Syntex Ltd. (Textile Mills), Bhiwani

**CO-ORDINATOR**

**DR. BHAVET**

Faculty, Shree Ram Institute of Business & Management, Urjani

**ADVISORS**

**DR. PRIYA RANJAN TRIVEDI**

Chancellor, The Global Open University, Nagaland

**PROF. M. S. SENAM RAJU**

Director A. C. D., School of Management Studies, I.G.N.O.U., New Delhi

**PROF. M. N. SHARMA**

Chairman, M.B.A., Haryana College of Technology & Management, Kaithal

**PROF. S. L. MAHANDRU**

Principal (Retd.), Maharaja Agrasen College, Jagadhri

**EDITOR**

**PROF. R. K. SHARMA**

Professor, Bharti Vidyapeeth University Institute of Management & Research, New Delhi

**CO-EDITOR**

**DR. SAMBHAV GARG**

Faculty, Shree Ram Institute of Business & Management, Urjani

**EDITORIAL ADVISORY BOARD**

**DR. RAJESH MODI**

Faculty, Yanbu Industrial College, Kingdom of Saudi Arabia

**PROF. SIKANDER KUMAR**

Chairman, Department of Economics, Himachal Pradesh University, Shimla, Himachal Pradesh

**PROF. SANJIV MITTAL**

University School of Management Studies, Guru Gobind Singh I. P. University, Delhi

**PROF. RAJENDER GUPTA**

Convener, Board of Studies in Economics, University of Jammu, Jammu

**PROF. NAWAB ALI KHAN**

Department of Commerce, Aligarh Muslim University, Aligarh, U.P.

**PROF. S. P. TIWARI**

Head, Department of Economics & Rural Development, Dr. Ram Manohar Lohia Avadh University, Faizabad

**DR. ANIL CHANDHOK**

Professor, Faculty of Management, Maharishi Markandeshwar University, Mullana, Ambala, Haryana

**DR. ASHOK KUMAR CHAUHAN**

Reader, Department of Economics, Kurukshetra University, Kurukshetra

**DR. SAMBHAVNA**

Faculty, I.I.T.M., Delhi

**DR. MOHENDER KUMAR GUPTA**

Associate Professor, P.J.L.N. Government College, Faridabad

**DR. VIVEK CHAWLA**

Associate Professor, Kurukshetra University, Kurukshetra

**DR. SHIVAKUMAR DEENE**

Asst. Professor, Dept. of Commerce, School of Business Studies, Central University of Karnataka, Gulbarga

***ASSOCIATE EDITORS***

**PROF. ABHAY BANSAL**

Head, Department of Information Technology, Amity School of Engineering & Technology, Amity University, Noida

**PARVEEN KHURANA**

Associate Professor, Mukand Lal National College, Yamuna Nagar

**SHASHI KHURANA**

Associate Professor, S.M.S. Khalsa Lubana Girls College, Barara, Ambala

**SUNIL KUMAR KARWASRA**

Principal, Aakash College of Education, ChanderKalan, Tohana, Fatehabad

**DR. VIKAS CHOUDHARY**

Asst. Professor, N.I.T. (University), Kurukshetra

***TECHNICAL ADVISOR***

**AMITA**

Faculty, Government M. S., Mohali

***FINANCIAL ADVISORS***

**DICKIN GOYAL**

Advocate & Tax Adviser, Panchkula

**NEENA**

Investment Consultant, Chambaghat, Solan, Himachal Pradesh

***LEGAL ADVISORS***

**JITENDER S. CHAHAL**

Advocate, Punjab & Haryana High Court, Chandigarh U.T.

**CHANDER BHUSHAN SHARMA**

Advocate & Consultant, District Courts, Yamunanagar at Jagadhri

***SUPERINTENDENT***

**SURENDER KUMAR POONIA**

## **CALL FOR MANUSCRIPTS**

We invite unpublished novel, original, empirical and high quality research work pertaining to recent developments & practices in the areas of Computer Science & Applications; Commerce; Business; Finance; Marketing; Human Resource Management; General Management; Banking; Economics; Tourism Administration & Management; Education; Law; Library & Information Science; Defence & Strategic Studies; Electronic Science; Corporate Governance; Industrial Relations; and emerging paradigms in allied subjects like Accounting; Accounting Information Systems; Accounting Theory & Practice; Auditing; Behavioral Accounting; Behavioral Economics; Corporate Finance; Cost Accounting; Econometrics; Economic Development; Economic History; Financial Institutions & Markets; Financial Services; Fiscal Policy; Government & Non Profit Accounting; Industrial Organization; International Economics & Trade; International Finance; Macro Economics; Micro Economics; Rural Economics; Co-operation; Demography; Development Planning; Development Studies; Applied Economics; Development Economics; Business Economics; Monetary Policy; Public Policy Economics; Real Estate; Regional Economics; Political Science; Continuing Education; Labour Welfare; Philosophy; Psychology; Sociology; Tax Accounting; Advertising & Promotion Management; Management Information Systems (MIS); Business Law; Public Responsibility & Ethics; Communication; Direct Marketing; E-Commerce; Global Business; Health Care Administration; Labour Relations & Human Resource Management; Marketing Research; Marketing Theory & Applications; Non-Profit Organizations; Office Administration/Management; Operations Research/Statistics; Organizational Behavior & Theory; Organizational Development; Production/Operations; International Relations; Human Rights & Duties; Public Administration; Population Studies; Purchasing/Materials Management; Retailing; Sales/Selling; Services; Small Business Entrepreneurship; Strategic Management Policy; Technology/Innovation; Tourism & Hospitality; Transportation Distribution; Algorithms; Artificial Intelligence; Compilers & Translation; Computer Aided Design (CAD); Computer Aided Manufacturing; Computer Graphics; Computer Organization & Architecture; Database Structures & Systems; Discrete Structures; Internet; Management Information Systems; Modeling & Simulation; Neural Systems/Neural Networks; Numerical Analysis/Scientific Computing; Object Oriented Programming; Operating Systems; Programming Languages; Robotics; Symbolic & Formal Logic; Web Design and emerging paradigms in allied subjects.

Anybody can submit the **soft copy** of unpublished novel; original; empirical and high quality **research work/manuscript anytime** in ***M.S. Word format*** after preparing the same as per our **GUIDELINES FOR SUBMISSION**; at our email address i.e. [infoijrcm@gmail.com](mailto:infoijrcm@gmail.com) or online by clicking the link **online submission** as given on our website ([FOR ONLINE SUBMISSION, CLICK HERE](#)).

## **GUIDELINES FOR SUBMISSION OF MANUSCRIPT**

### 1. **COVERING LETTER FOR SUBMISSION:**

DATED: \_\_\_\_\_

**THE EDITOR**  
IJRCM

**Subject: SUBMISSION OF MANUSCRIPT IN THE AREA OF.**

**(e.g. Finance/Marketing/HRM/General Management/Economics/Psychology/Law/Computer/IT/Engineering/Mathematics/other, please specify)**

**DEAR SIR/MADAM**

Please find my submission of manuscript entitled '\_\_\_\_\_ ' for possible publication in your journals.

I hereby affirm that the contents of this manuscript are original. Furthermore, it has neither been published elsewhere in any language fully or partly, nor is it under review for publication elsewhere.

I affirm that all the author (s) have seen and agreed to the submitted version of the manuscript and their inclusion of name (s) as co-author (s).

Also, if my/our manuscript is accepted, I/We agree to comply with the formalities as given on the website of the journal & you are free to publish our contribution in any of your journals.

#### **NAME OF CORRESPONDING AUTHOR:**

Designation:  
Affiliation with full address, contact numbers & Pin Code:  
Residential address with Pin Code:  
Mobile Number (s):  
Landline Number (s):  
E-mail Address:  
Alternate E-mail Address:

#### **NOTES:**

- a) The whole manuscript is required to be in **ONE MS WORD FILE** only (pdf. version is liable to be rejected without any consideration), which will start from the covering letter, inside the manuscript.
- b) The sender is required to mention the following in the **SUBJECT COLUMN** of the mail:  
**New Manuscript for Review in the area of** (Finance/Marketing/HRM/General Management/Economics/Psychology/Law/Computer/IT/Engineering/Mathematics/other, please specify)
- c) There is no need to give any text in the body of mail, except the cases where the author wishes to give any specific message w.r.t. to the manuscript.
- d) The total size of the file containing the manuscript is required to be below **500 KB**.
- e) Abstract alone will not be considered for review, and the author is required to submit the complete manuscript in the first instance.
- f) The journal gives acknowledgement w.r.t. the receipt of every email and in case of non-receipt of acknowledgment from the journal, w.r.t. the submission of manuscript, within two days of submission, the corresponding author is required to demand for the same by sending separate mail to the journal.

2. **MANUSCRIPT TITLE:** The title of the paper should be in a 12 point Calibri Font. It should be bold typed, centered and fully capitalised.

3. **AUTHOR NAME (S) & AFFILIATIONS:** The author (s) **full name, designation, affiliation (s), address, mobile/landline numbers, and email/alternate email address** should be in italic & 11-point Calibri Font. It must be centered underneath the title.

4. **ABSTRACT:** Abstract should be in fully italicized text, not exceeding 250 words. The abstract must be informative and explain the background, aims, methods, results & conclusion in a single para. Abbreviations must be mentioned in full.

5. **KEYWORDS:** Abstract must be followed by a list of keywords, subject to the maximum of five. These should be arranged in alphabetic order separated by commas and full stops at the end.
6. **MANUSCRIPT:** Manuscript must be in **BRITISH ENGLISH** prepared on a standard A4 size **PORTRAIT SETTING PAPER**. It must be prepared on a single space and single column with 1" margin set for top, bottom, left and right. It should be typed in 8 point Calibri Font with page numbers at the bottom and centre of every page. It should be free from grammatical, spelling and punctuation errors and must be thoroughly edited.
7. **HEADINGS:** All the headings should be in a 10 point Calibri Font. These must be bold-faced, aligned left and fully capitalised. Leave a blank line before each heading.
8. **SUB-HEADINGS:** All the sub-headings should be in a 8 point Calibri Font. These must be bold-faced, aligned left and fully capitalised.
9. **MAIN TEXT:** The main text should follow the following sequence:

**INTRODUCTION****REVIEW OF LITERATURE****NEED/IMPORTANCE OF THE STUDY****STATEMENT OF THE PROBLEM****OBJECTIVES****HYPOTHESES****RESEARCH METHODOLOGY****RESULTS & DISCUSSION****FINDINGS****RECOMMENDATIONS/SUGGESTIONS****CONCLUSIONS****SCOPE FOR FURTHER RESEARCH****ACKNOWLEDGMENTS****REFERENCES****APPENDIX/ANNEXURE**

It should be in a 8 point Calibri Font, single spaced and justified. The manuscript should preferably not exceed **5000 WORDS**.

10. **FIGURES & TABLES:** These should be simple, crystal clear, centered, separately numbered & self explained, and **titles must be above the table/figure. Sources of data should be mentioned below the table/figure.** It should be ensured that the tables/figures are referred to from the main text.
11. **EQUATIONS:** These should be consecutively numbered in parentheses, horizontally centered with equation number placed at the right.
12. **REFERENCES:** The list of all references should be alphabetically arranged. The author (s) should mention only the actually utilised references in the preparation of manuscript and they are supposed to follow **Harvard Style of Referencing**. The author (s) are supposed to follow the references as per the following:
  - All works cited in the text (including sources for tables and figures) should be listed alphabetically.
  - Use **(ed.)** for one editor, and **(ed.s)** for multiple editors.
  - When listing two or more works by one author, use --- (20xx), such as after Kohl (1997), use --- (2001), etc, in chronologically ascending order.
  - Indicate (opening and closing) page numbers for articles in journals and for chapters in books.
  - The title of books and journals should be in italics. Double quotation marks are used for titles of journal articles, book chapters, dissertations, reports, working papers, unpublished material, etc.
  - For titles in a language other than English, provide an English translation in parentheses.
  - The location of endnotes within the text should be indicated by superscript numbers.

**PLEASE USE THE FOLLOWING FOR STYLE AND PUNCTUATION IN REFERENCES:****BOOKS**

- Bowersox, Donald J., Closs, David J., (1996), "Logistical Management." Tata McGraw, Hill, New Delhi.
- Hunker, H.L. and A.J. Wright (1963), "Factors of Industrial Location in Ohio" Ohio State University, Nigeria.

**CONTRIBUTIONS TO BOOKS**

- Sharma T., Kwatra, G. (2008) Effectiveness of Social Advertising: A Study of Selected Campaigns, Corporate Social Responsibility, Edited by David Crowther & Nicholas Capaldi, Ashgate Research Companion to Corporate Social Responsibility, Chapter 15, pp 287-303.

**JOURNAL AND OTHER ARTICLES**

- Schemenner, R.W., Huber, J.C. and Cook, R.L. (1987), "Geographic Differences and the Location of New Manufacturing Facilities," Journal of Urban Economics, Vol. 21, No. 1, pp. 83-104.

**CONFERENCE PAPERS**

- Garg, Sambhav (2011): "Business Ethics" Paper presented at the Annual International Conference for the All India Management Association, New Delhi, India, 19-22 June.

**UNPUBLISHED DISSERTATIONS AND THESES**

- Kumar S. (2011): "Customer Value: A Comparative Study of Rural and Urban Customers," Thesis, Kurukshetra University, Kurukshetra.

**ONLINE RESOURCES**

- Always indicate the date that the source was accessed, as online resources are frequently updated or removed.

**WEBSITES**

- Garg, Bhavet (2011): Towards a New Natural Gas Policy, Political Weekly, Viewed on January 01, 2012 <http://epw.in/user/viewabstract.jsp>

## IMPACT OF MICRO AND MACRO ENVIRONMENTAL ANALYSIS IN THE BANKING SECTOR OF ZAMBIA: A STRATEGIC PLANNING PERSPECTIVE

**DR. B. NGWENYA**  
**DEAN**  
**FACULTY OF BUSINESS**  
**SOLUSI UNIVERSITY**  
**ZIMBABWE**

**E. MASAMBA**  
**DIRECTOR**  
**FINANCE AND ADMINISTRATION**  
**ROSANGO UNIVERSITY**  
**ZAMBIA**

### ABSTRACT

*The broad business benefit derived from formal strategic planning by management within the banking sector in Zambia is the realization of revenue opportunities and losses minimization through management ability to recognize future trends and potential operational risks, resulting from adequate environmental scanning strategies. Based on the findings of this study, bank managers strive for a strategic fit between organisational strengths and weaknesses (internal environmental factors) and opportunities and threats (external environmental factors) to achieve profitability, customer satisfaction, increased customer loyalty, market share, sustainable competitive advantage and high retention rates. This study makes an analysis on the micro and macro environmental factors analysis by management in the banking sector of Zambia.*

### KEYWORDS

environmental scanning, customer satisfaction, customer loyalty, retention rates, competitive advantage.

### INTRODUCTION

The issues of business profitability and sustainability are a growing concern to most developing countries and Zambia is not an exception. Taking a quick review of the operations of most published bank's financial statements show growing trend in losses than profits and others simply maintaining a break-even status quo. This could be attributed to inadequate implementation of SWOT analysis techniques when conducting strategic planning. Clients are a vital aspect of business activities. Mallette (2006) says that most enterprises are using a financial strategy that poorly supports a client-centred operation, resulting in millions of dollars of too little revenue generation and depressing profitability. He further says many organizations lack a credible structure for consistently evaluating their financial strategy to ensure compatibility with client needs. The identified factors in the business environment using SWOT analysis may be a basis for matching financial strategy with customer needs. Moreover, Anwar (2008) argues that inadequate environmental scanning/SWOT analysis, strategy implementation; client focus, new service development, and competitiveness were collectively responsible for a huge deviation from best possible performance. The amount of financial losses resulting from poor SWOT analysis techniques, and the failure to taking advantage of opportunities using strengths while avoiding the threats and improving the weaknesses reflects the significance of the business problem proposed in this study (Mallette, 2006).

### NEED FOR THE STUDY

The majority of businesses in Monze district of Zambia are small and medium enterprises (SMEs) which are mainly in the service industry. These businesses seem to be prone to their management's inexperience or challenge of lack of planning expertise, particularly environmental scanning techniques, and mismatching of financial strategies with client needs. The purpose of this study was to explore the extent to which these service organizations such as banks employ SWOT analysis techniques when conducting their strategic planning. The researchers believed that the study results would benefit service businesses in the intended geographic location by streamlining their environmental scanning activities. Business leaders and organizations in other sectors of the nation's economy may use the study's results to improve their business processes, trend related information analysis, financial strategy formulation, targeting of clients, and market positioning. The study's results may affect positive social change by boosting the potential for increasing employment and opportunities for profitable business operations.

### STATEMENT OF THE PROBLEM

The broad business problem addressed in this study is that service businesses lose revenue opportunities and suffer losses because of an inability to recognize future trends and potential operational risks, resulting from inadequate environmental scanning strategies leading to wrong, strengths, weaknesses, opportunities and threats (SWOT) analysis of the business environment (De Fontnovelle *et al.*, 2006). The specific problem addressed in this study was to assess the extent to which banks in the Monze district of Zambia implement SWOT analysis techniques when conducting strategic planning process.

### OBJECTIVES OF THE STUDY

1. To assess the extent to which banks in Monze in Zambia implement the SWOT analysis techniques in their strategic planning.
2. To advance knowledge that formal strategic planning within the banking sector in Zambia affords management a strategic opportunity to match the bank's capabilities against the key opportunities and threats within its environment.
3. To advance knowledge that formal strategic planning is critical for bank survival through sustainable market share, customer loyalty, profitability, high retention rate, and competitive advantage.

### METHODOLOGY

The sample size studied was 40 respondents from three banks in Monze district in Zambia. The researchers adopted a purposeful sampling technique. The respondents comprising the sample were a mixture of female and male employees of the banks. A questionnaire with structured questions was designed and administered. Each question addressed a factor of either internal or external environmental analysis. Measurement of variables was done on a Likert scale. The questionnaire was subjected to reliability and validity tests before distribution and a Cronbach's alpha of 0.943 was obtained. As a result the instrument was deemed fit for operational purposes. Forty (40) questionnaires were administered to all the banks by the researchers and all were properly completed representing a 100% return rate. The Statistical Package for social sciences (SPSS) was used to compute the statistics.

**SCOPE OF THE STUDY**

The scope of the study is limited to the commercial banks in the Monze district of Zambia that too the study is limited to commercial banks only.

**LITERATURE REVIEW**

Effective strategic management requires the matching of a company's capabilities with its environment. In particular, these capabilities must be matched against the key opportunities and threats which the organization is likely to face in the future. A key step in strategic planning therefore is the analysis of the organizational environment so as to take account of organizational trends and changes in developing future strategies and plans. In order to understand this, we first need to be aware of what is meant by the term 'external environment'. The external environment of a company includes all those factors outside of the organization's boundaries over which it has little, or no control at all. In broad terms, it is possible to classify the major environmental factors into, on the one hand the 'Macro' environmental factors, and on the other hand, the 'Micro' environmental factors. The focus is to see the implications for identifying key opportunities and threats in the process of developing meaningful future strategies (Kaplan & Norton, 2008).

**External or Macro Environment:** Organizations operate in a dynamic political, economic, social and technological environment. Therefore, understanding and appreciation of this environment both internal and external to the organization is essential in developing a realistic strategic plan that will guide future operations. Before managers can begin strategy formulation, they must scan the external and internal environment. Environmental analysis or simply scanning is monitoring, evaluating, and discussing information from external and internal environments to key people within the corporation. The simplest way to conduct environmental scanning is through SWOT analysis. SWOT is an acronym used to describe those particular strengths, weaknesses, opportunities, and threats that are strategic factors for a specific company. The external environment consists of variables (opportunities and threats) that are outside the organization and not typically within the short-run control of top management. These variables form the context within which the corporation exists. They may be general forces and trends within the overall societal environment or specific factors that generate within an organization's specific task environment – often called its industry (Kaplan & Norton, 2008).

Opportunities are chances to make greater profits in the environment, external attractive factors that represent the reason for an organization to exist and develop. Opportunities arise when an organization can take benefit of conditions in its environment to plan and execute strategies that enable it to become more profitable. Organizations should be careful and recognize the opportunities and grasp them whenever they arise. Opportunities may arise from market, competition, industry, government and technology (Estrin, 2009). Other opportunities that may accrue to organisations from the external environment in which they operate involve issues such as rapid market growth, rival firms' complacency, changing customer needs and tastes, new uses for product discovered, economic boom, government deregulation, and sales decline for substitute products.

Estrin (2009) identifies threats as external elements in the environment that could cause trouble for the business. He further suggests that these external factors are naturally, beyond an organization's control, which could place the organization's mission or operations at risk. He says these arise when conditions in external environment jeopardize the reliability and profitability of the organization's business and compound the vulnerability when they relate to the weaknesses. Threats are uncontrollable. When a threat comes, the stability and survival can be at stake. Threats involve issues such as entry of foreign competitors, introduction of new substitute products, product life cycle in decline, changing customer needs and tastes, rival firms adopting new strategies, increased government regulation, and economic downturn.

**Internal or Micro Environment:** The internal environment of an organization consists of variables (strengths and weaknesses) that are within the organization itself and are not usually within the short-run control of management. These variables form the context in which work is done. They include the organizational structure, culture, and resources. Key strengths form a set of core competencies which the organization can use to gain competitive strategy. An organization uses this tool to avoid what is called "strategic surprise" and to ensure long term organizational health or survival (Kaplan & Norton, 2008). Estrin (2009) classifies strengths as characteristics of the business or a team that give it an advantage over others in the industry. He further posits that these are positive tangible and intangible attributes, internal to an organization. They are beneficial aspects of the organization or the capabilities of an organization, which includes human competencies, process capabilities, financial resources, products and services, customer goodwill and brand loyalty. These strengths translate into abundant financial resources, well-known brand name, economies of scale, and lower costs of raw materials or processes, superior management talent, better marketing skills, good distribution skills, and committed employees, just to mention a few.

Kaplan and Norton (2008) describe weaknesses as characteristics that place the firm at a disadvantage relative to other firms. These detract the organization from its ability to attain the core goal and influence its growth. Weaknesses are the factors which do not meet the desired standards that are expected to be met. However, weaknesses are controllable. They must be minimized and eliminated (Kaplan & Norton, 2008). Weaknesses involve issues such as limited financial resources, weak spending on research and development, very narrow product line, limited distribution, higher costs, out-of-date products or technology, weak market image, poor marketing skills, limited management skills, and under-trained employees.

This study is an attempt to assess the extent to which banks in Monze in Zambia implement the SWOT analysis techniques in their strategic planning. The study also attempts to advance knowledge that formal strategic planning within the banking sector in Zambia affords management a strategic opportunity to match the bank's capabilities against the key opportunities and threats within its environment. Finally, advance knowledge that formal strategic planning is critical for bank survival through sustainable market share, customer loyalty, profitability, high retention rate, and competitive advantage.

**ANALYSIS OF THE STUDY**

Table 1 shows the descriptive statistics of the extent to which managers of banks in Monze perceive the internal environmental factors as strategic planning issue and apply the internal environmental analysis when strategically planning.

**TABLE 1**

Variables	N	Minimum	Maximum	Mean	Std. Deviation
Adequate Finances	40	2	5	4.35	0.098951
Skilled Hum. Resources	40	2	5	4.43	0.873763
High Technology	40	0	5	4.30	0.042679
Superior Management Talent	40	2	5	4.43	0.780779
Strong Brand Equity	40	2	5	4.40	0.955416
Reliable Supplier	40	1	5	4.33	0.04728
Good Customer Service	40	1	5	4.23	0.049725
High Custom Retention	40	2	5	4.48	0.986771
Inadequate Finances	40	2	5	4.43	0.009887
Unskilled H/ Resources	40	1	5	4.33	0.997111
Inadequate Technology	40	1	5	4.28	0.085747
Inferior Management Talent	40	1	5	4.13	0.042372
Weak Brand equity	40	0	5	4.20	0.244475
Unreliable Suppliers	40	0	5	4.03	0.208676
Poor Customer Serve	40	0	5	4.33	0.022503
Poor Customer Retention	40	0	5	4.40	0.104768
Valid N (list wise)	40			54.03	16.5509
<b>Overall</b>				<b>4.31</b>	<b>0.034431</b>



Table 1 above shows data gathered in relation to the extent to which bank managers in the Monze district of Zambia perceive the internal environmental factors as strategic planning issue and apply the internal environmental analysis when planning. An overall mean of 4.31 and standard deviation of 0.034431 were obtained measuring and indicating a significant extent to which bank managers in Monze district of Zambia employ strengths and weaknesses (SW) analysis when strategically planning. The assessment reveals that bank managers are not indifferent when it comes to the perceived importance of internal environmental factors as a strategic planning issue. A low overall standard deviation of 0.034431 indicates a significantly less variability from the overall mean which can be interpreted to mean that there were no different perceptions amongst the respondents.

Table 2 shows the descriptive statistics of the extent to which managers of banks in Monze perceive the external environmental factors as strategic planning issue and apply the external environmental analysis when strategically planning.

TABLE 2

Variables	N	Minimum	Maximum	Mean	Std. Deviation
Political Stability	40	2	5	4.45	0.084861
Economic Boom	40	2	5	4.35	0.975337
Population Increase	40	0	5	4.075	0.141018
Techno Advances	40	1	5	4.30	0.066987
Changing Customer Taste	40	0	5	4.475	0.03744
Political Instability	40	2	5	4.45	0.036513
Economic Depression	40	2	5	4.40	0.928191
Population Decline	40	1	5	4.45	0.060962
Techno. Advances	40	2	5	4.425	0.009887
Changing Customer Taste	40	1	5	4.575	0.083383
Rapid Market Decline	40	1	5	4.475	0.960435
Valid N (Listwise)	40			37.425	11.38501
<b>Overall</b>				<b>4.402273</b>	<b>0.035001</b>

Table 2 above shows data gathered in relation to the extent to which bank managers in the Monze district of Zambia perceive the external environmental factors as strategic planning issue and apply the external environmental analysis when planning. An overall mean of 4.402273 and standard deviation of 0.035001 were obtained measuring and indicating a significant extent to which bank managers in Monze district of Zambia employ opportunities and threats (OT) analysis when strategically planning. The assessment reveals that bank managers are not indifferent when it comes to the perceived importance of external environmental factors as a strategic planning issue. A low overall standard deviation of 0.035001 indicates a significantly less variability from the overall mean which can be interpreted to mean that there were no different perceptions amongst the respondents.

## FINDINGS AND SUGGESTIONS

The above findings suggest that internal and external environmental analysis is very important because it affords bank management a strategic opportunity to match the bank's capabilities against the key opportunities and threats within its environment. Internal and external environmental analysis is also critical for bank survival, through sustainable market share, customer loyalty, profitability, high retention rate, and competitive advantage.

**Suggestion 1:** All respondents rated the instrument items similarly, as indicated by low standard deviations.

**Suggestion 2:** For realization of revenue opportunities and losses minimization- management ability to recognize future trends and potential operational risks is very important. That is without adequate environmental scanning strategies, bank survival, through sustainable market share, customer loyalty, profitability, high retention rate, and competitive advantage cannot be achieved.

## REFERENCES

1. Kaplan, R. S., Norton, D. P., "Mastering the management system" Harvard Business Review, Volume No. 86 Issue 1, 2008, pp 62-77. Retrieved from <http://hbr.org>.
2. Estrin, J, "Closing the innovation gap" New York, NY: McGraw-Hill. 2009.
3. De Fontnovelle, P., Dejesus-Rueff, V., Jordan, J., & Rosengren, E. S. "Capital and risk: New evidence on implications of large operational losses" Journal of Money, Credit & Banking, Volume No. 38, 2006, pp 819-846. Retrieved from <https://jmcb.osu.edu>.
4. Anwar, S. A, "A factor analytic investigation of the construct of market orientation" International Journal of Management, Volume No. 25 Issue 1, 2008, pp 186-197. Retrieved from <http://www.internationaljournalofmanagement.co.uk>. (2008).
5. Mallette, F, "A framework for developing your financial strategy" Corporate Finance Review, Volume 10 Issue 5, 2006, pp 11-20. Retrieved from <http://ria.thomsonreuters.com/EStore/detail.aspx?ID=CMJP>.

## **REQUEST FOR FEEDBACK**

**Dear Readers**

At the very outset, International Journal of Research in Commerce, Economics & Management (IJRCM) acknowledges & appreciates your efforts in showing interest in our present issue under your kind perusal.

I would like to request you to supply your critical comments and suggestions about the material published in this issue as well as on the journal as a whole, on our E-mail [infoijrcm@gmail.com](mailto:infoijrcm@gmail.com) for further improvements in the interest of research.

If you have any queries please feel free to contact us on our E-mail [infoijrcm@gmail.com](mailto:infoijrcm@gmail.com).

I am sure that your feedback and deliberations would make future issues better – a result of our joint effort.

Looking forward an appropriate consideration.

With sincere regards

Thanking you profoundly

**Academically yours**

Sd/-  
**Co-ordinator**

## **DISCLAIMER**

The information and opinions presented in the Journal reflect the views of the authors and not of the Journal or its Editorial Board or the Publishers/Editors. Publication does not constitute endorsement by the journal. Neither the Journal nor its publishers/Editors/Editorial Board nor anyone else involved in creating, producing or delivering the journal or the materials contained therein, assumes any liability or responsibility for the accuracy, completeness, or usefulness of any information provided in the journal, nor shall they be liable for any direct, indirect, incidental, special, consequential or punitive damages arising out of the use of information/material contained in the journal. The journal, nor its publishers/Editors/Editorial Board, nor any other party involved in the preparation of material contained in the journal represents or warrants that the information contained herein is in every respect accurate or complete, and they are not responsible for any errors or omissions or for the results obtained from the use of such material. Readers are encouraged to confirm the information contained herein with other sources. The responsibility of the contents and the opinions expressed in this journal is exclusively of the author (s) concerned.

## ABOUT THE JOURNAL

In this age of Commerce, Economics, Computer, I.T. & Management and cut throat competition, a group of intellectuals felt the need to have some platform, where young and budding managers and academicians could express their views and discuss the problems among their peers. This journal was conceived with this noble intention in view. This journal has been introduced to give an opportunity for expressing refined and innovative ideas in this field. It is our humble endeavour to provide a springboard to the upcoming specialists and give a chance to know about the latest in the sphere of research and knowledge. We have taken a small step and we hope that with the active co-operation of like-minded scholars, we shall be able to serve the society with our humble efforts.

### *Our Other Journals*

