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## AN EXPLORATORY STUDY OF THE POTENTIAL OF 'KATSRS SYSTEM' AS AN EDUCATIONAL TECHNOLOGY IN FACILITATING LEARNERS' ENGAGEMENT AND FEEDBACK: A CASE STUDY OF BOTHO UNIVERSITY

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### ABSTRACT

Learners' engagement is the main key to achieving better teaching and learning. In recent years, a variety of educational technologies have been used to motivate learners to participate in learning. Amongst these tools, students' responses have proved to be very useful. The trend has been to equip students with clickers and simple cellular phones to cast votes and send their anonymous responses to the receiver. In contrast, Katlego Students' Response System is an intranet system that captures students' responses via the desktop and laptop computers to the main server. The purpose of the present study is to investigate the potential of the Katlego Students' Response System as an online educational technology to facilitate classroom engagement and feedback in teaching/learning. The study group consists of students from the Computing Science department at Botho University (N=80). In the study an experimental design was used over six weeks. Data was collected using Katlego Student Response System, feedback/evaluation forms and oral interviews. The findings of the study revealed that the Katlego Student Response System is more effective in increasing learners' engagement and experience. However, acquisition and setting of the appropriate equipment, software and sufficient network bandwidth remains a challenge since Botswana is a developing country.

### KEYWORDS

KatSRS, educational technology, feedback 360d, students' response system.

### INTRODUCTION

High levels of learners' involvement during a learning session are not easy to achieve or ascertain in a classroom. Furthermore, real-time feedback may be one of the difficult components to access from students especially if a class consists of varied learners with different backgrounds and learning efficacies (Dunn and Dunn, 1992; Dyson, 2008). In any classroom setting, students' ability to listen and understand and students' capability to provide real-time feedback are valuable parameters in measuring success in learning and teaching. The rationale behind these metrics is to identify means by which a teacher can assist students on time to facilitate successful and progressive learning. Real-time feedback provided by students during a lecture is also central in assisting the teacher in measuring how effective is the teaching approach used. The research seeks to evaluate how Katlego Student Response System (KatSRS) a component of Katlego Feedback 360d can be embraced as an online tool for evaluating learning and teaching in class before, during and after the lecture. This would not only assist in encouraging learners' engagement in class but, also it would be used as a tool to assist the lecturer in gauging success in his/her teaching approach.

### BACKGROUND

Many students at Botho University face problems of making meaningful contribution to the discussions during lectures due to a number of factors. The factors contributing to loss of students participation in class include (a) fear of being embarrassed if their contribution is incorrect or trivial, (b) expectation by some students to be quiet while the lecturer talks (Caldwell, 2007; Dyson, 2008), (c) loss of opportunity by some students because vocal students always dominate all discussions in class (Sellahewa, 2011) and (d) language barrier (Turugare et al., 2012). These problems present challenges to learning/teaching because learners' engagement is a vital component that teachers can use to assess an effective learning process.

In the months of July to September 2012, Botho University lecturers (Francistown) conducted peer assessment to investigate challenges faced by both students and lecturers in teaching and learning. The motive for this exercise was to try and mitigate any issues arising from limited resources or to determine better strategies for handling classroom by lecturers. Some of the challenges uncovered include:

- **STUDENT INTERACTION**

It was discovered that participation is not evenly distributed among students. This observation concurs with Horowitz (2006) investigation on the role played by SRS systems on influencing learners' engagement in class. According to Prof. Harold Horowitz in Horowitz (2006), ten to twenty percent of the students in class dominate the discussion and these students are the ones who ask questions, offer unsolicited comments and they always volunteer to provide answers posed by the teacher.

- **AVAILABILITY OF TIME**

During a normal lecture, time available does not allow all key points to be covered if the lecturer encourages learners' questions and comments as part of the learning process.

- **TIME MANAGEMENT VERSUS ATTENTIVENESS**

Peer observations carried out noted some problems when it comes to time allocation and student alertness and attentiveness. Duson Benjamin, Tumkaya and Songul (2012) and Harold Horowitz the director of the IBM Corporate Education Centre have conducted the same investigations and reported that there is a significant dichotomy between efficient time allocation and student attentiveness (Horowitz, 2006).

The challenges outlined above point to the need for a more effective learning-teaching environment to encourage learners' engagement in class (Houghton, 2004). This paper attempts to establish how effective the KatSRS system is, in facilitating and improving learners' engagement.

## REVIEW OF LITERATURE

The most dominant delivery methods at higher-education Institutions remain lectures and lectorials (Caldwell, 2007). According to Habeshaw and Biggs (1992), the lecturing methods involve a large span of uninterrupted discourse from a lecturer with no discussion between learners and no learners' activities other than listening and note-taking if not "face-booking" at the back of a classroom. The description of the lecture method given above reflects that despite its long dominance as a delivery method, it has failed to get learners' full engagement and attention in class. Botho University is not an exception; it has been observed that students start losing attention the moment they are not encouraged to take part in some form of activity or group discussions. Basically, lecturing has proved to be amongst some ineffective methods of delivery especially if not coupled with some intentional interventions (interactive windows) that could make teaching-learning livelier (Knight and Wood, 2005).

Without redesigning approaches to teaching/learning, it has been proved that traditional methods can be improved by introducing regular "interactive windows" that encourage active learning and hence improve learners' engagement, (Eric, 2005). Dyson (2008) observed that a teacher can boost students engagement and reflective learning by using a simple "three-one-minute interactive window" strategy that involves the use of three interventions to enable the students to take part in assessing their lecture engagement. The windows are:

- A["Write one thing you have learnt so far"],
- B["Write one question you have that has not been answered so far"] and
- C ["Short break"].

In this context learners can be engaged by allowing them to reflect on one thing they have learnt and one question that has not been answered so far in every 20 minutes time intervals and then take a rest. This design makes it possible to assess two things: (a) which intervention led to an increase in lecture engagement and (b) whether these effects were limited to a specific time during the lecture. The findings indicate a positive increase in students' participation in class when such a tool is used (Dyson, 2008).

Sellahewa (2011) introduced a system called EduMECCA which is quite a relevant scenario of some promising Student Response System's (SRS) tool for use in class. Unlike traditional Electronic Voting systems (EVS) that use clickers and purpose-built-infrastructure, the SRS uses widely available mobile devices and mobile services to collect student responses in a convenient way. According to Sellahewa (2011), Student Response System's increase participation, helps students understand the lecture and indicate where further effort is required. According to Duman in Dunn and Dunn (1992), careful administering of traditional small-scale interventions is not only useful for improving students' engagement, but it is a strategy useful for attaining good learners' motivation, acquisition of content knowledge and internalization of meaning (Duman, 2010). These learning gains can be achieved by encouraging learners to take short breaks, drink water, engage in brief discussions and solve small cross-word puzzles (Duman, 2010; Dyson, 2008).

The advancement of modern Educational Technologies (EDuTech) has seen substantial technologically sophisticated solutions to engage students in learning anonymously (Dyson, 2008). The past two decades have been characterized by spontaneous innovations where Universities and other higher educational institutions employ response systems, clickers or audience response systems (Caldwell, 2007) in assessing lecture engagement. In general, the SRS and EVS systems are introduced in class to address the main challenges of obtaining maximum possible students' engagement in classrooms where it is difficult to have a meaningful engagement between the teacher and the learners or to gauge the learners' comprehension due to lack of sound participation by the learners (Knight and Wood, 2005). The problems mentioned above are very prevalent at Botho University.

## FEEDBACK 360d AND KatSRS SYSTEM

Feedback 360d system is designed to allow students to give feedback about their faculties and their program of study. The feedback is anonymous so the students are encouraged to write freely. It helps management review the performance of faculties and review program syllabuses and then set up ways to improve that, if needed. The system provides the following functionality:

- Creating batches, programmes, faculties and periods of feedbacks,
- Creating feedbacks (Student feedback, Network laboratory feedback, customer satisfaction feedback, Open University feedbacks),
- Generating Login IDs for student to take feedback, this login IDs are one time use,
- Students taking feedbacks, and
- Generating reports of the taken feedbacks.

The online Student Response System (SRS) is developed as part of Botho University Katlego Feedback System project. The Katlego feedback system is used to collect learners' feedback (quarterly) online for evaluating learning/teaching for a course. Instead of soliciting for feedback at long time intervals, the researchers propose that a component be added to Katlego Feedback system to provide the following functionalities:

- Broadcast a multiple choice questions (MCQ) to the students machines(clients),
- Allow students to submit their answers to the teacher's machine (server),
- Facilitate data collection, and active data processing,
- Prompt presentation of the collated data to enable real-time feedback to the teacher and students.

The sub-system of the main Katlego Feedback 360d is called Katlego Student Response System (KatSRS) and it enables students to respond to one-minute quizzes or MCQ's during a lecture. The real-time feedback collected thus enables the teacher to assess students understanding of a topic during a lecture. In the same manner, students can assess their understanding of the concepts being taught and argue their points out during discussion. This will further improve on the teacher's capability to provide necessary interventions on time if there is need to do so. Unlike traditional EVS that use clickers (Caldwell, 2007), and EduMeCCA. SRS that uses mobile devices and mobile services, KatSRS uses the intranet available in a classroom to collect real-time student responses (Sellahewa, 2011).

## THE PURPOSE OF STUDY

The present study investigates the effect of KatSRS in engaging learners during a lecture. That is, the study aims to establish whether KatSRS can improve students' engagement during learning/teaching sessions. In turn, the study aims to show the effect of students' real-time feedback in assisting the teacher in assessing whether there is need for any immediate interventions if the majority of students did not understand the concepts. However rather than comparing two different tools in students' engagement, this investigation focuses on the use of the single KatSRS for this purpose. More importantly, we have sought to check if learners' engagement and experiences have been increased as compared to when normal forms of teaching/learning are used. We may expect using the KatSRS tool to have a significant effect to learners' participation than when the traditional discussion methods are used in a lecture. KatSRS is expected to assist the teacher to gauge if the topic taught has been thoroughly understood as soon as possible than waiting for feedback from students during formative assessments conducted after the lecture or several topics of the course have been taught. For this purpose, we formulate the following hypothesis:

- $H_0$ : Students' engagement and experiences would not vary much with the application of KatSRS in active learning/teaching as compared to the traditional discussion methods.
- Using KatSRS would not enhance learners' participation or impact on their experiences in learning under any context of its application.
- The teacher may not get useful feedback from this approach for improving his/her class delivery methods.
- $H_1$ : Students' engagement and experiences from the use of KatSRS should significantly increase when compared to the known traditional methods of engaging students.



**IMPORTANCE OF THE STUDY**

The main premise of the study is to develop and pilot an educational system that will promote active learning and increase students’ participation. The well-planned activities conducted via the students’ response systems are likely to maximise students’ participation and hence cultivate a positive attitude towards school amongst students. The study will also help in increased student-teacher interaction through encouraging students’ responses and justifying their points. This will also result in the collection of real-time feedback by the teachers. The students’ response system will enable the teachers to collect real-time feedback and measure the success of learning/teaching during a lecture or soon after a session. Eventually, this practice would equip the modern teachers with the ability of gauging the efficiency of their teaching every time they are in class. Finally this study will assist in increasing Students’ motivation and retention rates.

**STATEMENT OF THE PROBLEM**

There are students who find it difficult to engage in class because of shyness, lack of confidence, lose of opportunities because some colleagues are dominating in all learning activities and the general expectation that they need to be quite while the teacher talks. Furthermore, experience tells, collecting real-time feedback is one of the major challenges faced by most teachers when they want to measure the success of learning/teaching.

**AIM OF STUDY**

The present study aims at investigating and determining the effects of KatSRS (which is a component of Katlego Feedback 360d system) in promoting learners’ engagement in active learning. The study combines literature and analysis of data collected from the participants during the experimental study of the KatSRS and students evaluation of the tool before and after the lecture to arrive at the conclusion.

**OBJECTIVES**

The main objectives of the present study are to:

- Review related literature in order to establish the current trends and use of SRS systems for engaging students in learning,
- Establish whether KatSRS has an impact on changing learners’ engagement as compared to the experiences of students with other approaches ,
- Determine if there is an improvement in student-to-student or student-to-lecturer interaction when KatSRS is used compared to when traditional approaches are used,
- Determine the most preferred mode of answering or interaction during a normal lecture.

**RESEARCH METHODOLOGY**

**PARTICIPANTS**

The study was carried out by the researchers among the first year students in the Computing Department studying computer science at Botho University (Francistown) in the 2011 – 2012 academic years. The sample group was formed considering the continuum behaviours of students ranging from dominant students to very passive students in class. However all participants have the same level of qualification (BTHIT-Honours Diploma in Information Technology and Business Skills) and therefore they have the same experiences in computing. The sample consisted of 80 students, 46(58%) are female and 34(42%) are male. Although there could be some variances in the socio-economic and cultural conditions of the participants, the majority of these participants are Botswana students and hence the prevalent condition is Setswana culture. The experiment was conducted at recap, during class and after class to examine how effective anonymous interactive feedback could improve engagement.

**STIMULI AND APPARATUS**

**RESPONSE MCQ**

Participants answered Multiple Choice Questions (MCQ) presented on the slides via KatSRS interface on the computer screens. The responses were then submitted online to the server and automatically saved. The responses of type [A, B, C, D, I don’t know], or [True, False, Not sure] were used to enable students to easily pick an answer they considered most appropriate. All participants used college personal computers’ to log onto KatSRS and select appropriate answers. At the end of each interactive window, the researchers collected the learners’ responses from the server and viewed the summaries.

**QUESTIONNAIRE**

To collect feedback from students regarding the effectiveness of the KatSRS a questionnaire was used. Out of 80 participants 62 responses were collected and analysed. Due to such a small number, the researchers used qualitative feedback as the primary measure of effectiveness. Learners’ feedback was collected in two ways: (a) a survey specific to the use of KatSRS in the Computer Systems Architecture (C1-CSA) and Mathematics for computing courses; (b) learners’ view of the KatSRS system as a tool for collecting feedback at the end the ninth week.

**DESIGN**

The experiment was conducted by the researchers over 6 weeks (week 3 - 9) of Computer Systems Architecture (C1-CSA) and Mathematics for Computing (C1-MAT) courses. Before the first lecture in week 3, all students who took part in the investigation were alerted of the opportunity to take part in an informal assessment of teaching. The participants were also notified that the informed consent for the experiment would be provided in the 4<sup>th</sup> week. In the second lecture of week 3, participants were shown how to use KatSRS to respond to a MCQ provided by the teacher on the board. Class sizes varied from 18 – 38 students. During week 9, participants completed the KatSRS evaluation form during lectures to indicate how they feel about the online KatSRS.

**During the lecture MCQ**

Multiple choice questions were presented as hard copy, word document or slides every twenty minutes of the one hour forty-five minute lectures. Some of the examples are as follows:

**Example 1(C1-CSA):** Which of the following characteristics table best describes the behaviour of a JK flip-flop?

**FIGURE 1: SAMPLE MCQ’S FOR C1-CSA AND C1-MAT COURSES**

<b>A</b>	$Q_t$	$Q_{t+1}$	$Out_1$	$Out_2$	<b>B</b>	$Q_t$	$Q_{t+1}$	$Out_1$	$Out_2$	
	0	0	0	x		0	0	0	x	
	0	1	1	0		0	1	1	x	x
	1	0	0	1		1	0	x	1	1
	1	1	x	0		1	1	x	0	0
<b>C</b>	$Q_t$	$Q_{t+1}$	$Out_1$		<b>E</b>	$Q_t$	$Q_{t+1}$	$Out_1$		
	0	0	0			0	0	0		
	0	1	1			0	1	1		
	1	0	0			1	0	1		
	1	1	1			1	1	0		

**E I don’t know.**

**Example 2(C1-MAT):** Which binary number below represents the octal number (632)8;

- A. 11000011
- B. 111110000
- C. 110011010
- D. 000111110
- E. I don't know.

**Recap MCQ's**

**Example 1 (C1-MAT):** Let  $P = \{\text{multiples of 3 less than 20}\}$  and  $Q = \{\text{even numbers less than 20}\}$ . Draw and label a Venn diagram to show the intersection Find  $P \cap Q$ .

Answer:

- A.  $P \cap Q = \{3,6,9,12,18\}$
- B.  $P \cap Q = \{6,12,18\}$
- C.  $P \cap Q = \{2,4,6,8,10,12,14,16,18\}$
- D. I don't know

**Example 2(C1-MAT):** Let  $U = \{x : x \text{ is an integer, } 4 \leq x \leq 20\}$ ,  $Q' = \{5,6,12,14,15,16,18\}$ .

Find  $n(Q)$

Answer:

- A. 17
- B. 10
- C. 7
- D. I do not know

During 4, 5, 6, 7, 8 weeks, students were engaged by asking them to respond to MCQ's and the results of each question were displayed to the students (see Figure 2 for pooled results of example 1(C1-CSA)). In the case of a high number of negative/incorrect responses from students, the topic is discussed immediately.

From the class activities the following results were found pertaining to the examples presented above. The following results are showing how students were responding to the above examples in class. In C1-CSA multiple choice questions all students participated. It does not show only the number of participants but also shows the distribution of the responses pattern as well as the correct answer showing how many actually managed to get it right or wrong.

FIGURE 2: SCREENSHOT OF THE POOLED RESULTS FROM C1-CSA MCQ

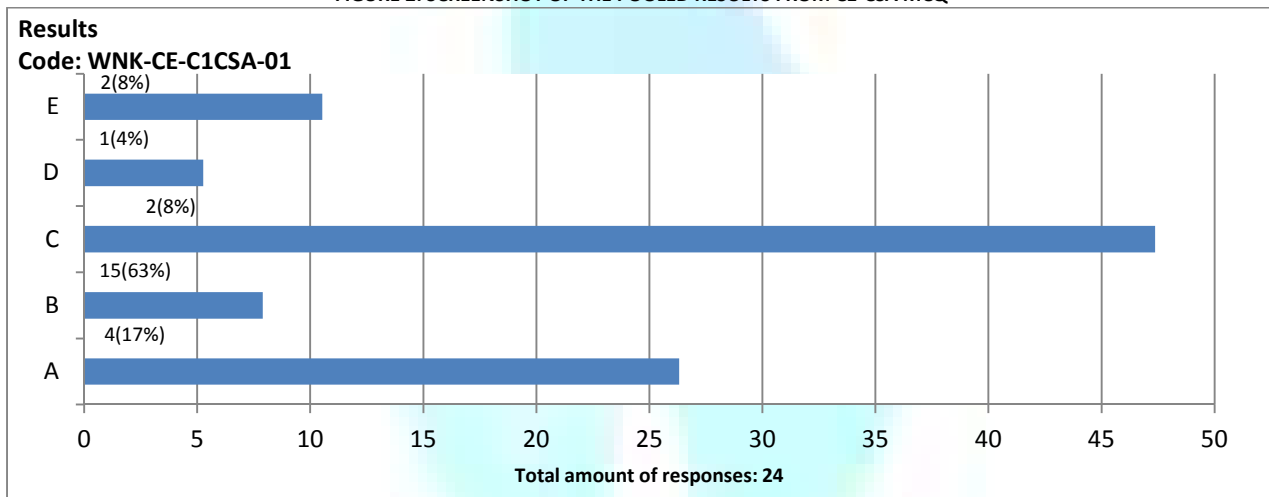
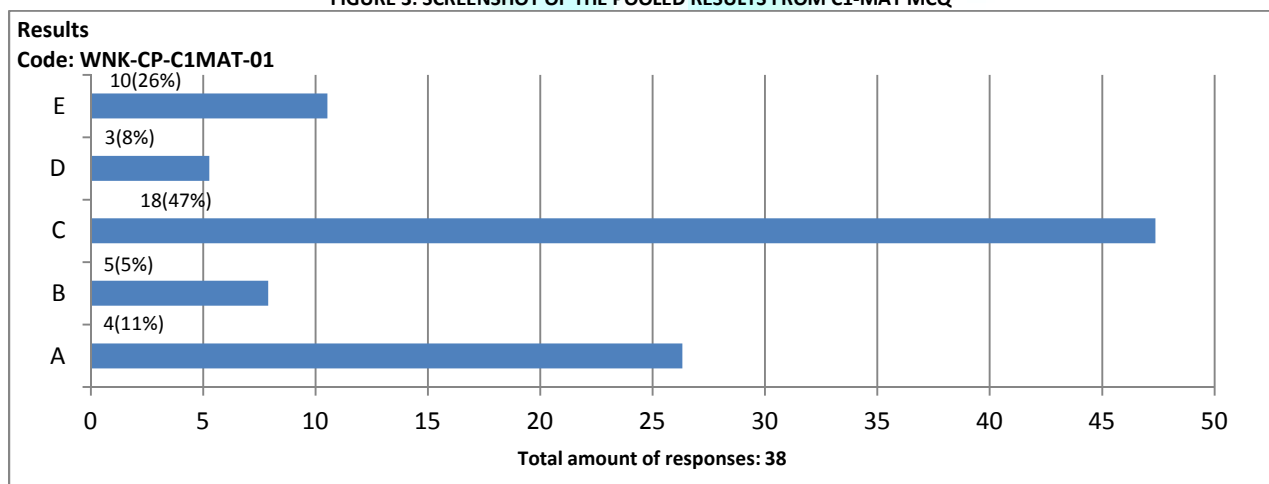


FIGURE 3: SCREENSHOT OF THE POOLED RESULTS FROM C1-MAT MCQ



**RESULTS & DISCUSSION**

The results are presented according to the tools that were employed. The first results are based on the survey of the participant learners followed by the selected interview results.

**SURVEY RESULTS FOR LEARNERS' FEEDBACK ON THE USE OF KATSRs**

Qualitative feedback was used as the primary measure of effectiveness since the sample group is relatively small and most of the judgment relied on literature. 27 out of 38 students that took the C1-MAT course responded to the survey and 35 out of the 42(both normal and progression classes included) students that took the C1-CSA course responded to the survey. In total, out of eighty students sixty-two (77.5%) responded to the survey. The details of the survey are summarized in Figure 4. The key points in the survey are:

FIGURE 4: SURVEY RESULTS FOR LEARNERS' FEEDBACK ON THE USE OF KatSRS

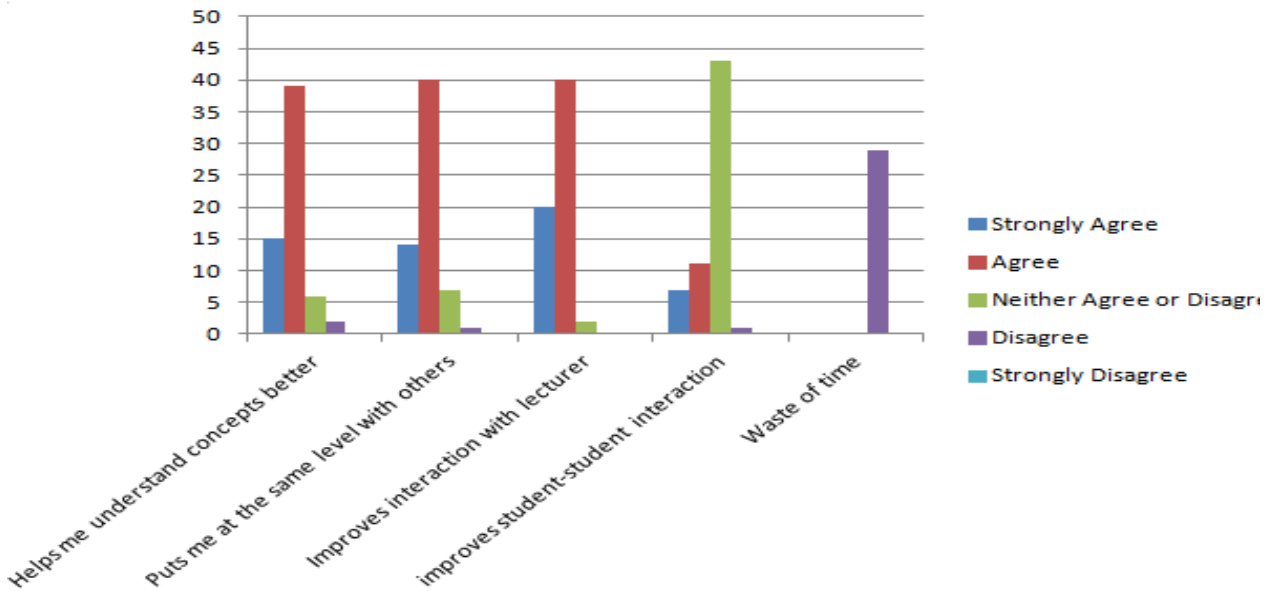
	Strongly Agree	Agree	Neither agree or disagree	Disagree	Strongly disagree
<b>A) Review/Summary questionnaires before/after the lecture:</b>					
1. Help me understand the concepts better	15	39	6	2	0
2. Help me discuss at the same level with the rest of the class	14	40	7	1	0
3. Enables me to interact with the lecturer in the classroom.	20	40	2	0	0
4. Enables me to interact with the rest of the class	7	11	43	1	0
5. It is a waste of time.	0	0	0	29	33
<b>B) The online KatSRS system:</b>					
1. It is a useful tool in learning.	45	16	1	0	0
2. Enhances my learning experience.	47	14	0	1	0
3. Integrates well with the lecture	40	16	4	2	0
4. Allows me to answer/interact, in the way I prefer.	35	4	20	3	0
5. Gives me an equal chance to answer questions than when a normal discussion is done.	37	13	12	0	0
6. Takes away the one-to-one contact with the lecturer.	25	10	9	12	4
7. It is a waste of time.	0	0	4	10	48
<b>C) Frequency of answer/interaction – which of the following statement you agree with most?</b>					
1. I am one of those in the class who always answer questions	20				
2. I answer only if the lecturer asks me or it is my turn	8				
3. I want to answer, but I do not get the opportunity	2				
4. I want to answer, but not in public	32				
<b>D) Mode of answer/interaction – which of the following statement you agree with most?</b>					
1. I am happy to answer in public	20				
2. I prefer to give my answer anonymously	39				
3. I do not want to answer at all	3				
<b>E) The use of online SRS system</b>					
1. I have used the system in one course	0				
2. I have used the system in two courses	0				
3. I have used the system in more than two courses	0				
4. I have not used the KatSRS system at all	62				

**EFFECTIVENESS OF KatSRS**

The findings presented in the survey show that out of 62 respondents:

- 33(53%) of the respondents 'strongly disagree' with the suggestion that "Review/Summary questionnaires before/after the lecture are a waste of time" and 29(47%) of the respondents "disagree" with the same suggestion that "Review/Summary questionnaires before/after the lecture are a waste of time". None of the respondents think that the summary questionnaires are a waste of time;
- 48(77%) of the respondents "strongly disagree." with the suggestion that KatSRS is a waste of time while 10(16%) "Disagree." that it is a waste of time;
- Except for 1(2%) respondent, all respondents "strongly agree" 45(73%) or "agree" 16(25%) with the suggestion that KatSRS "KatSRS is a useful tool in learning.";
- Except for 1(2%) respondent, all respondents either "Strongly agree" 47(75%) or "Agree" 14(23%) with the suggestion that 'KatSRS enhances their learning experience' ;
- 32(52%) of the respondents said "I want to answer but not in public", 20(32%) said "I am one of those in the class who always answer questions.", 8(13%) said "I answer only if the lecturer asks me or it is my turn." and only 2(3%) said "I want to answer, but I do not get the opportunity.";
- 39(63%) of the respondents said "I prefer to give my answer anonymously.", 20(32%) said "I am happy to answer in public." and only 3(5%) said "I do not want to answer at all.";
- All 62 respondents said "I have not used the KatSRS system at all."
- Furthermore, the screenshots for the pooled data for KatSRS used show that a hundred percent participation from all students presenting the Mathematics for Computing and Computer Systems Architecture groups. In the formal peer observations conducted in July to September 2012, the situation is different. The statistics show that when the traditional method of lecturing and discussion is used, only ten to twenty percent of the students manage to engage and make meaningful contribution to learning/teaching.
- The feedback comments from the three classes where the KatSRS was used reflect that all sampled students appreciate the use of KatSRS and state that it was helpful especially in assisting them submit their responses anonymously.

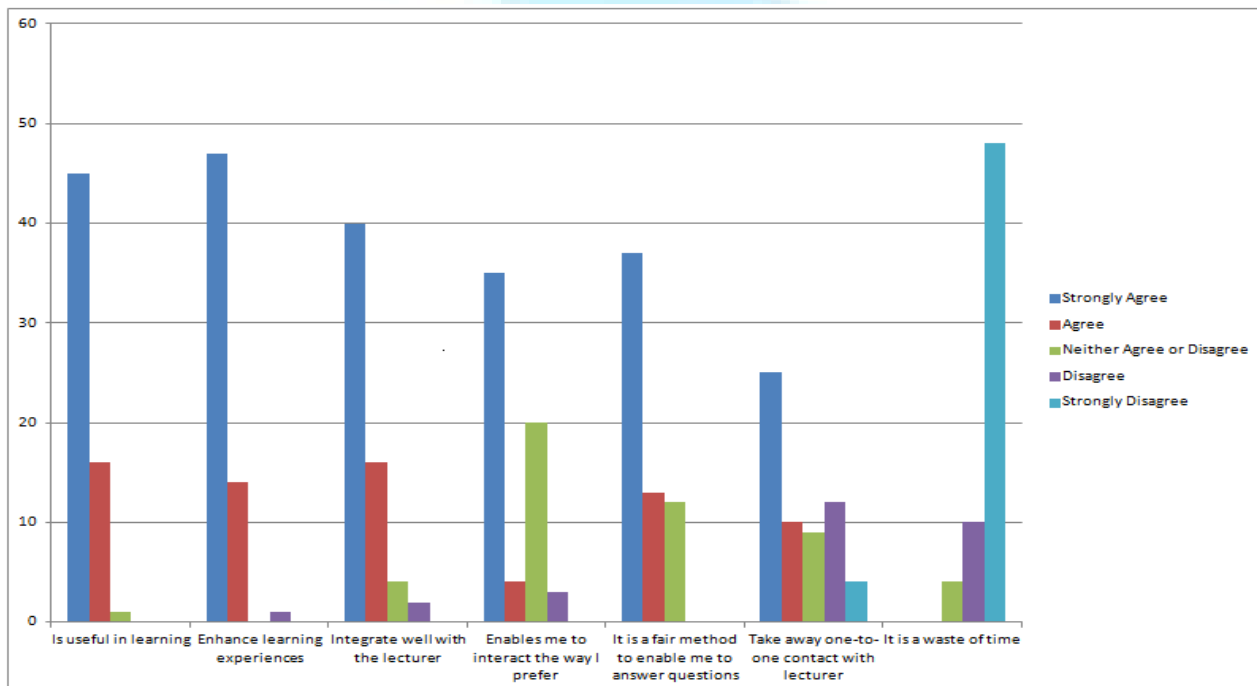
FIGURE 5: STUDENTS VIEWS ON THE USE OF KATSRS BEFORE/AFTER THE LECTURE



When figure 5 is examined, it is seen that most students either “strongly agreed” or “agreed” with the suggestion that KatsRS is a useful tool in enhancing interactions in class and increasing the ability of students’ understanding of concepts. Notably, 47% of the students disagree with the suggestion that the use of KatsRS is a waste of time.

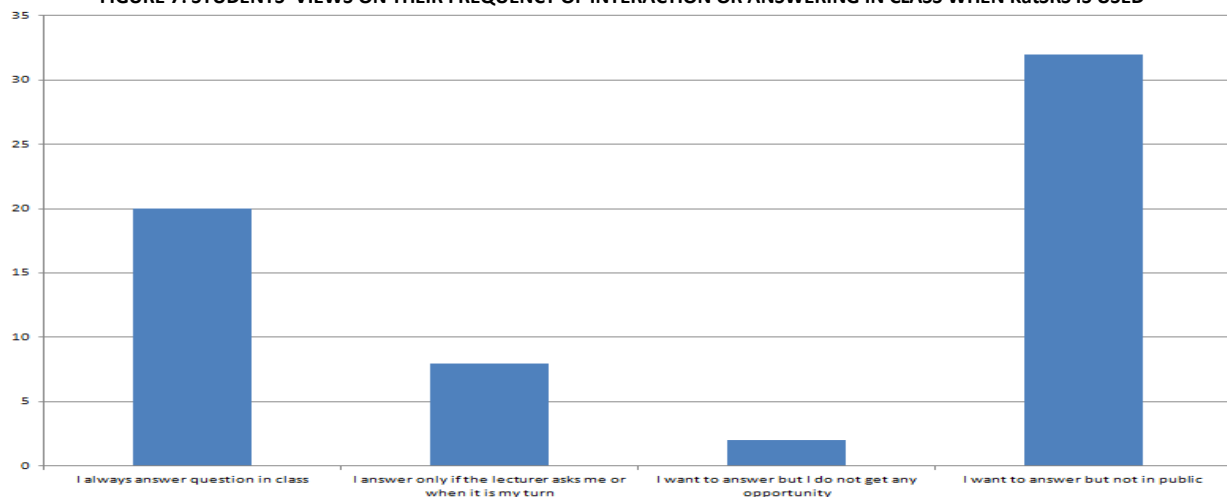
**USE OF KatsRS IN LEARNING**

FIGURE 6: STUDENTS’ VIEWS ON THE INFLUENCE OF KATSRS IN THEIR LEARNING EXPERIENCES



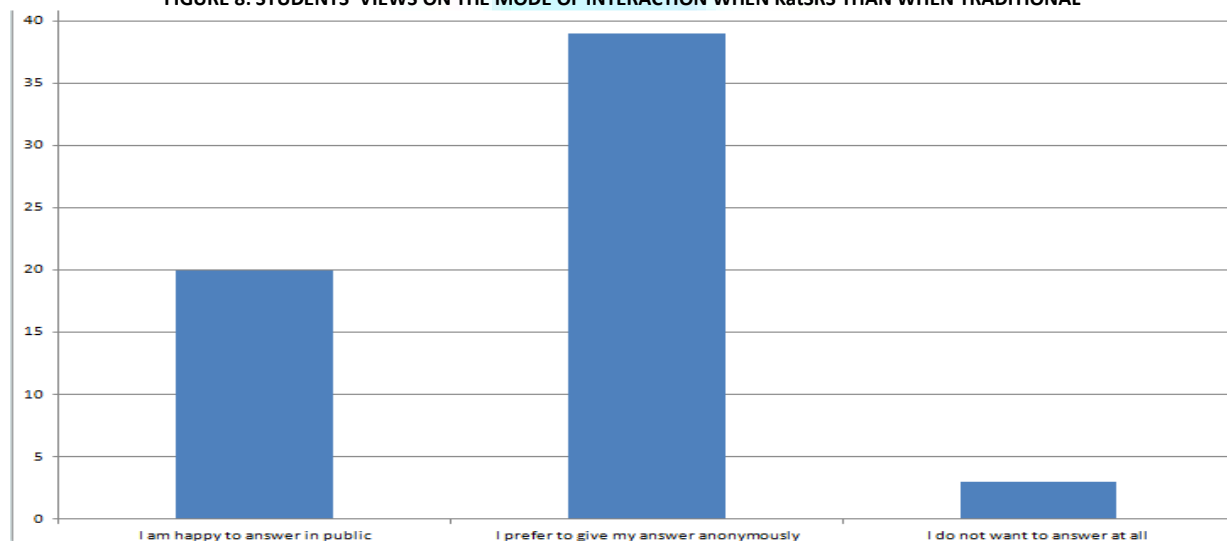
When figure 6 is examined, it is seen that there is a high number of students who strongly agree that KatsRS improved their learning experiences, gave equal chances to answer questions than if normal discussion was done and also they strongly agree that it enabled them a method of interaction they prefer.

FIGURE 7: STUDENTS' VIEWS ON THEIR FREQUENCY OF INTERACTION OR ANSWERING IN CLASS WHEN KatSRS IS USED



As can be seen in figure 7, they are more students 52% who would prefer to remain anonymous and 32% said that they like answering in class. The rest of the students prefer to wait for the lecturer to pick on them or they do not get the opportunity at all. This is an indication that KatSRS would be very effective on getting most students to participate in class since they seem to prefer it that way.

FIGURE 8: STUDENTS' VIEWS ON THE MODE OF INTERACTION WHEN KatSRS THAN WHEN TRADITIONAL



When figure 8 is examined, it is seen that the majority of the students (63%) prefer to answer anonymously in class, one-third of the students say that they are always answering in class and 3 students would never want to answer questions in public.

The results appear to be similar to the results obtained from the studies which aimed at investigating the effects of the students' response systems in engaging learners during teaching sessions (Caldwell, 2007; Sellahewa, 2011; Eric, 2005). It was also found that lecturers can benefit from the real-time feedback provided by students to construct on-time-interventional strategies (such as extended tutorials) if the concept is missed by most students during a lecture (Sellahewa, 2011; Eric, 2005).

According to our hypothesis  $H_0$ , there must be an even or less number of students who advocate for the use of KatSRS compared to those who do not favour its use. In the same manner, the same participants must have reflected their support for an open discussion mode than anonymity. In the present study, the researchers observed that there are more students who fear or deliberately avoid answering in public and prefer to respond anonymously. Based on the observation made from the survey results, we therefore do not have any evidence to support hypothesis  $H_0$ .

Hypothesis  $H_1$  would be supported if the present study found that a high number of students support the use of KatSRS in active learning and provides them with equal opportunities to answer questions in class. Furthermore, if a high number of students strongly supported "anonymous" as the preferred mode of answering questions, then this would indicate the need for the KatSRS system and hence,  $H_2$  would be supported.

In the present study, the researchers observed also considered the learner's feedback according to how the KatSRS influences their experiences and enabling interaction with their lecturers and colleagues. It was observed that more than two thirds of the students strongly agree with the suggestion that KatSRS is a useful tool in learning, enhancing their learning experiences and encouraging student-to-lecturer or student-to-student interaction. This finding concurs with the other studies based on clickers, online handheld devices and mobile services (Caldwell, 2007; Sellahewa, 2011). Accordingly we find strong evidence to support  $H_2$ .

The pooled results show a hundred percent participation from the students present in the Computer Systems Architecture and Mathematics classes during the administration of KatSRS tool. When the findings of the present study are examined, it is possible to argue that the KatSRS method enabled learners to be free to answer questions anonymously, provided students with equal opportunities for participating in class. In the case, KatSRS availed good conditions for active learning and increased learners' engagement. Studies by Dyson (2008); Caldwell (2007); Eric (2005) and Horowitz (2006) revealed that learners need to be encouraged by using appropriate interactive tools that protect them against embarrassment or any forms of prejudice or unfair criticism by other learners. This finding concurs with the literature Sellahewa, (2011).

For example, Dyson (2008) contends that asking learners to record their responses during interactive windows anonymously would attract more participation. Also recording these engagements throughout the lecture can act as a form of active and anonymous contribution to learning/teaching.

Furthermore, when the findings of the present study are examined, it is possible to argue that the online KatSRS system promotes lecturer-student and student-student interaction and removes barriers to participation (Horowitz, 2006; Sellahewa, 2011).

The influence of students' response systems in active learning continues to raise important questions. This study could provide some vital ground work for further research focusing on the strategies to circumvent practical issues prevalent in the application of students' response systems to facilitate learners'



engagement. Further research is needed on technology's role in the "classroom of the future" for both industrial and public education. At the other end of the spectrum, research into the learning of non-vocal students would also be valuable.

#### SELECTION OF STUDENTS' FEEDBACK

The following is a sample of some comments from the three batches doing Computer architecture and mathematics for computing. The comments were considered reflect students' feedback (relevant to the use of KatSRS) given as feedback for the course:

BFT12-F-CM022-01: "The introduction of KatSRS could be a very good idea especially to us who do not like to be public. I can contribute in class but now I cannot go in front of other students and show my ignorance." (C1-CSA- 2012 Normal Entry group).

BFT12-F-CM022-01: "This is a good system it helps us who are shy."; "I think all lecturers must try this it is friendly..."; "I like it because it made me participate in class."; "The Katlego student response system (KatSRS) is a very useful tool in gauging the understanding of materials flip flops."; "It's my first time to use this, but well I have no problems with it. But me I like the oral discussions in class." (CSA 2012- Progression group).

CP-MAT-B1: "This system favours students because I know many [colleagues] do not know but they shy to raise their hands and tell the teacher."; "So with this system, many of us indicated that we do not understand Cartesian product of two sets and the teacher explained again."; "The KatSRS system was a good way to involve the class"; "I liked the recap questions. I benefited because they reminded me of key points in sets and Boolean algebra." (Mathematics for Computing, 2012).

#### FINDINGS

- KatSRS is a useful tool in learning
- KatSRS enhances students' learning experience
- Most students do not want to answer questions in public/in front of their classmates but would rather remain anonymous during lectures
- There is 100% engagement when the teacher uses KatSRS compared to 10-20% participation when traditional methods are used.

#### LIMITATIONS OF THE METHODOLOGY

The benefits of the KatSRS are apparent but, there are some limitations that were identified in its application. These include the following:

- **Connectivity and insufficient bandwidth:**

Network connectivity may be slow or not sufficient to handle multiple responses at the same time. Reliability problems may frustrate the users (Sellahewa, 2011).

- **Administration of the process may be difficult**

Presenting questions and collecting the results may consume a lot of time (taking 5 - 10 minutes) (Horowitz, 2006). This becomes more stressing if there is slow network connectivity or other technical issues.

- **Preparation**

Preparing for a lecture where the KatSRS is used requires more time to plan for appropriate questions: preparation of MCQ questions needs extra effort by the lecturer. According to Caldwell (2007) and Horowitz (2006), there is need for proper planning prior to conducting classes with students' response systems. For example, MCQ's to be given to students must be examined to ensure that they assess students' knowledge. Furthermore, questions must be challenging in order to stimulate prior knowledge and enable students to apply new ideas and explore implications.

- **Overreliance on SRS tends to be detrimental**

If the SRS system is overused, there is the likely hood of overlooking at the other methods of learning/teaching (such as reflection, discussion and group work activities). The other methods could be handy because they reinforce skills and knowledge acquired. For example, in discussion and reflection, students are likely to concretise their ideas by discussing them with colleagues in class.

#### RECOMMENDATIONS/SUGGESTIONS

The present study established that interactive classrooms which use KatSRS system improve the learning process. This is because they facilitate class discussion, collection of data, promote critical thinking and increase student engagement (Caldwell, 2007). However, careful consideration must be done to ensure that there is proper planning, effective administration of the process and prompt evaluation of the process after the course for feedback. We therefore make the following recommendations;

##### **Question design goals and tactics**

Further research is required to determine how best we can design the questions for use during the lectures involving SRS. The questions should be structured such that they meet the pedagogical needs of the course such as;

(a) Having the ability to assess students' knowledge and (b) challenging to students so that they can improve on their experiences (Caldwell, 2007). A key research question in this context would be "What are the design goals and tactics for the SRS questions?"

##### **Administration of the process**

Administration and management of the process tends to consume more time than one would expect. According to Horowitz (2006), the lecturer requires ten to fifteen percent more time to cover the same number of learning points. An investigation needs to be carried out to determine additional resources that aid the teacher to easily administer the process without taking too much time.

##### **Impact on student-student interaction**

The ability of a learning/teaching approach to engage student-student interaction is the key to active learning. The notion behind KatSRS is not to eliminate discussions in class but, to find the best ways of making it more valuable to students. We therefore see the need for further research on how teachers can create an interactive classroom environment by posing challenging questions and positioning the discussions at the right times (Caldwell, 2007).

#### CONCLUSIONS

The exploratory study has shown that the use of KatSRS at Botho University (Francistown) can significantly improve learners' engagement and experiences. Notwithstanding there are many alternative interventions for harnessing learners' engagement (Dyson, 2008), the present research established that KatSRS can simulate a one-to-many dialogue, simplify instructor-student interaction and enable both the teacher and students to get prompt feedback. According to Caldwell (2007), the clicker based SRS have been shown to increase attendance, reduce attrition rates and promote student accountability. The need to engage an increased number of students in a lecture requires serious commitment from teachers because it is involving. More time would be required in planning for a lecture and therefore extends beyond normal working hours (Horowitz, 2006). In addition, a strategy needs to be formulated to introduce these technologies without distracting learners during a lecture. This requires some combined effort from the relevant ministries, university authorities and individual lecturers to identify appropriate educational technologies for promoting active learning and ensure that good learning/teaching standards are adhered to.

#### ACKNOWLEDGEMENT

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**MEASURES FOR ACTIVITY BASED COSTING SUCCESS: A REVIEW**

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**ABSTRACT**

Activity Based Costing (ABC), a powerful tool in Management Accounting, provides accurate information on the costs of activities and processes, which helps the managers to take decisions that have positive impact on the organization's production. Earlier, management accountants depended on traditional cost accounting methods to obtain information on product and service costs for these decisions. ABC, now argued to be remarkably better than traditional volume based costing system, has elicited the attention of both researchers and practitioners for its involvement in decision making. Several empirical studies have been conducted to examine the importance, adoption and successful implementation of ABC, reasons for implementing, issues related to its adoption, critical success factors of ABC. An in-depth insight of cost structure of an organization, cost modelling and targeting vis-à-vis its performance is essential for the successful implementation of ABC system. Many studies have attempted to establish the variables that could measure success of ABC system. Before determining the success rate of ABC, it is crucial to address what constitutes ABC success. This paper reviews the research carried out on ABC success factors pertaining to the extent to which it is used in an organization, the variables used to measure success and its operational definitions. The review reveals that the past research has focussed on the perception of the users, the frequency of usage, the use of ABC in decision making as the determinants of ABC system success. However, multi-item measures are able to measure and analyse the complex nature of the success factors better than the single-item measures.

**KEYWORDS**

Activity based costing, ABC success, approach for measuring the ABC success.

**JEL CLASSIFICATION**

M41

**1. INTRODUCTION**

A number of research studies have sought to identify variables that may be used to measure success or failure of ABC system. In doing so, researchers have had to address the difficult issue of what constitutes success in the context of an ABC.

Appraising ABC success has proved to be a challenge for researchers; hence, a number of ways has been adopted to address it. There is no universally agreed definition for success from management accounting context (Cinquini and Mitchell, 2005). Shields (1995) identified this as a complex issue and acknowledged the difficulty in defining ABC success. He stated that

*"Providing a definition, however, was problematic as the literature is vague about what constitutes success, and discussions with ABC experts did not result in consensus about a tangible definition. For example, success can include top management not rejecting it, an implementation of ABC per se, use of ABC information by non-accountants, gaining competitive advantage and providing additional profits"* (p. 154).

The main objective of this review to analyse the difference between the single-item and multi-item success measures to be used for measuring ABC success and recommend the most appropriate method to conduct studies on ABC success.

**2. RESEARCH METHODOLOGY**

Various sources of secondary data, like for instance articles published in journals / magazines, were accessed to gather data for this research, Google search engine was extensively used locating relevant articles on line. Besides, references from various chapters of relevant accounting and financial text books were also helpful in gathering data.

**3. THE ALTERNATIVE SUCCESS MEASURES****A. SINGLE-ITEMS MEASURES**

Since defining ABC success is arguable, Shields (1995) let the respondents of the survey rate the degree of success with whatever definition he or she deemed relevant to his or her situation by responses two questions about the overall level of perceived success and the financial benefits received from ABC. However, Anderson and Young (1999) criticized this method of measuring the success of ABC. Anderson and Young (1999) stated that

*"A danger of asking managers to rate ABC implementation success without specifying the definition of success is failure to detect cases in which individuals hold different views on the definition of success but share views on attainment of a particular dimension of success. In light of evidence that success in ABC implementation is multi-dimensional with each dimension having somewhat different correlates, it is appropriate to ask what criteria respondents use in evaluating ABC"* (p. 526).

While Shields (1995) focused specifically on manager's perceptions of the success of ABC itself, other studies focused on user satisfaction with the implementation of ABC. McGowan and Klammer (1997) claim that user satisfaction may affect behaviour and, consequently, the success of a system change. They argue that if a user perceives satisfaction with an information system per se, then the system is successful. McGowan and Klammer's (1997) approach has been criticized for relying too heavily on a limited number of success attributes. It is relying on just one question relating to managers' satisfaction with activity management, and it does not distinguish between the various levels of activity management use (Baird et al., 2007). Several researchers have included user satisfaction as one of the criteria to measure ABC success (Swenson, 1995; Innes and Mitchell, 1995, 2000; Foster and Swenson, 1997; Cotton, et al., 2003).

The extent to which management used the ABC information to support decisions (frequency of use) has also been used as a measure of ABC success. Swenson (1995) argued that it is more of an objective measure of the benefits of ABC system. This approach is supported by Pierce and Brown (2004, 2006), who surveyed large Irish companies and found high correlation between the frequency of use and the perceived success of ABC system. They suggested that overall

usage level is a reliable indicator of overall success of these systems. This approach for success measurement has also been endorsed by many researchers, including Foster and Swenson (1997), Innes and Mitchell (1995) and (2000), Anderson and Young (1999), Fortin et al. (2007), Charaf and Rahmouni (2010). Based on the studies conducted by Shields (1995) and Swenson (1995), Krumwiede (1998a) has proposed an alternate success variable for ABC implementation. He pointed out that Shields (1995) found a correlation between respondents' cost management system quality rating and ABC implementation stage. In addition, Swenson's (1995) results showed that satisfaction increased with the higher stages of implementation. Thus, he suggested that the attainment of a particular stage of implementation may use as a measure for ABC success. Nevertheless, this approach of measuring success received many criticisms from researchers like Baird et al. (2004). Baird et al. (2004) stated that this approach measures success as the progression of an organization from one stage of activity management implementation to the next, assuming that end state of integration with the organization's financial system. Consequently, it assumes that all organizations aspire to ABC level of activity management use.

In addition to the previously stated measures, there are other single-item measures, such as usage stage, for ABC success in research studies. In the usage stage, ABC is considered to be a success when one of the following criteria is met: (1) used at least somewhat for decision-making outside the accounting department (Krumwiede, 1998b); (2) the extent to which ABC information leads to a change in decisions (Innes and Mitchell, 1995); (3) the extent to which ABC information leads to financial benefits (Shields, 1995; Foster and Swenson, 1997; and McGowan, 1998); or (4) the importance attached to ABC information (Innes and Mitchell, 1995 and 2000).

Nevertheless, the use of single-item scale to measure the success has not been received well by many researches. For example, McGowan and Klammer (1997) reported that the single-item measure is coarse and cannot reflect all of the aspects of this multidimensional construct. Hence, they emphasized the need to construct a reliable multiple-item proxy for the implementation construct. Thus, considering the need for improvement in the measure, researchers have incorporated the multi-item scale to measure ABC success (Foster and Swenson, 1997; McGowan, 1998; Baird et al. 2007).

The following table presents the most common approaches to measuring ABC success and examples of research studies adopting each of the approaches.

TABLE 1: APPROACHES TO MEASURING ABC SUCCESS

Success measure	Studies
Manager and Personnel evaluation	Shields, 1995; Swenson, 1995; McGowan and Klammer, 1997; Foster and Swenson, 1997; McGowan, 1998; Anderson and Young, 1999; Fortin et al., 2007; Majid and Sulaiman, 2008; Charaf and Rahmouni, 2010.
User satisfaction	Swenson, 1995; Innes and Mitchell, 1995 and 2000; McGowan and Klammer, 1997; Foster and Swenson, 1997; Cotton et al., 2003.
Decisions actions	Innes and Mitchell, 1995; Foster and Swenson, 1997; Fortin et al., 2007; Charaf and Rahmouni, 2010.
Financial benefits (i. e. dollar improvements)	Shields, 1995; Foster and Swenson, 1997; Innes and Mitchell, 2000; Fortin et al., 2007.
Frequency of use	Swenson, 1995; Foster and Swenson, 1997; Innes and Mitchell, 1995 and 2000; Anderson and Young, 1999; Pierce and Brown, 2006; Fortin et al., 2007; Charaf and Rahmouni, 2010.
McGowan's (1998) measures - User attitudes - Technical characteristics rating - perceived usefulness in improving user job: - perceived organizational changes	McGowan, 1998; Zhang and Isa, 2010a and 2010b; Byrne et al., 2009; Byrne, 2011.

## B. MULTI-ITEMS MEASURES

The multidimensional construct of ABC success has lead Foster and Swenson (1997) to attempt to examine the effect of using alternative of ABC success measures. This was to address a call for research on the development of better success measures (Shields, 1995; McGowan and Klammer, 1997) and to explore further the use of a multiple-item measure. They refined ABC success measures and classified them into four variables:

1. Measure based on the **use of ABC information in decision making**. This measure presumes that the more extensive the use of ABC information, the more successful the implementation. Foster and Swenson (1997) categorised the use of ABC measures into three based on decision making: (1) rating as compared to the previous cost management system in some specific decisions, (2) the frequency with which each business functional area uses ABC information to make decisions and (3) the frequency with which the different levels of management used ABC.
2. Measure based on the **decisions and actions taken with ABC information**. This measure focuses on importance of ABC information in changing the course of decision making (for example, process change, pricing strategy change and product mix change).
3. Measure based on the **dollar improvement resulting from ABC**. This measure helps in the evaluation of either a summary management estimate or an explicit dollar comparison of revenues and costs with and without ABC in some implementation areas.
4. Measure based on the **management evaluation of overall ABC success**. This measure has required the respondents to rate how successful they believe ABC has been.

Although, Foster and Swenson's multi-item measure could be explained better than single-item measures, the measures do not recognize the different levels of activity management (Baird, et al. 2007). Thus, Baird et al. (2007) sought an alternative way to evaluate the success of ABC by categorizing the items in the Foster and Swenson's measure as to whether they were related to any of Gosselin's (1997) three levels of activity management, namely activity analysis (AA), activity cost analysis (ACA) and activity based costing (ABC). Measure of ABC success such as "dollar improvements" is empirically appealing it is fraught with possible confounding variables that are extremely difficult to control (Byrne, 2007).

Another multi-item approach has been developed by McGowan (1998). McGowan extended Foster and Swenson's (1997) work by focusing on the critical characteristics and influences of ABC implementation. This approach measures ABC success from an individual user's perspective and divided it down into four perspectives, namely general attitude toward the implementation process, technical characteristics of ABC system, perceived usefulness of the system and perceived organizational changes resulting from ABC implementation. The first item is used to report the participant's favourable attitudes toward the implementation of ABC, while the second aims to determine whether subjects' perceptions of their old cost management system differed significantly from their perceptions of the new (ABC) system along five qualitative characteristics: accessibility, accuracy, reliability, timeliness and ability to understandability. The third item focuses on ABC-users' perceptions of the usefulness of ABC in their job. The use of the fourth item is to explore the impact of ABC on quality of decisions, relationships and communication across functions, waste reduction and overall focus on the goals of the entity.

McGowan's (1998) methodology of using the four criteria to measure ABC success has been adopted till today as is evident in the study conducted by Zhang and Isa (2010a and 2010b) and Byrne (2011).

## 4. CONCLUSIONS

This paper set out to determine the success measures of ABC system in order to examine how successful ABC system has been in terms of its adoption and implementation. Past researchers have been critical of the studies that identified measures based on the perception of the users, as they believe that accepting manager's opinions without defining ABC implementation success will not provide accurate picture of success. Most managers are not sure of the constitution of the critical success measures of ABC and the problems inherent in the system. User satisfaction, frequency of ABC system usage, and the overall usage have been identified as the reliable indicators of success of ABC. In addition to these measures, ABC is considered a success when it becomes a part of the decision making and how it alters the decisions made based on the information provided by it. However, single item measures have been criticised for its simplicity that does not address multidimensionality dimension of the success. Multi-item measures, on the other hand, could explain the success better than the single-item



measure. The critical success measures are implementation attitudes, technical aspects, perceived usefulness of the system and the changes it brings into the organization. In conclusion, this study strengthens the need for multi-item success measures as they capture the perception of the individual more efficiently. Unlike single item measures that does not measure the complex nature of the ABC success, the multi-item uses a composite score to measure and analyse success by providing greatest explanation about determinants of the implementation of ABC.

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**ICT & WOMEN**

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**ABSTRACT**

*ICT has emerged as a powerful tool for gender empowerment. However, ensuring access to ICT tools is critical to bridging the gender digital divide and achieving empowerment. Equally significant is equipping women across all sections to make effective use of ICT by providing skills education and training. Currently, the ICT sector does not take full advantage of female talent. This is bad for the sector and bad for those women who could create new opportunities for themselves and their families with the ICT jobs that we know deliver better salaries and career paths than most other sectors. The ICT has a potential to bring development for a nation. It can reduce trade distortions, eliminate poverty, empower weaker segments including women, etc. The same is, however, possible only if a nation follows sound ICT strategies and policies. We have to set our priorities to those areas where we are lagging far behind. One such area is the unequal access of ICT to women. This paper looks at the avenues created by ICT-enabled networking processes for women's empowerment. This study is based on sample size of 100 urban women and examines how women's 'power within' has been enhanced through their access to and control of Information and Communication by use of ICTs. It discusses the main challenges and obstacles faced by women, suggests practical strategies to address those challenges and goes on to suggest ways to improve the conditions leading to women's empowerment.*

**KEYWORDS**

ICT, women empowerment.

**INTRODUCTION**

There can be no doubt that ICT is a major driver of economic and social modernization. Information and Communication Technologies are not just limited to research and employment but in almost all sections of the society including education, entertainment, public administration etc. Another significant facet of ICT has been that they have emerged as a powerful tool for gender empowerment. However, ensuring access to ICT tools is critical to bridging the gender digital divide and achieving empowerment. Equally significant is equipping women across all sections to make effective use of ICT by providing skills education and training.

The concept of gender equality is a common concern all over the World. The same has now acquired new dimensions with the advent of Information and Communication Technology (ICT). The ICT has a potential to bring development for a nation. It can reduce trade distortions, eliminate poverty, empower weaker segments including women, etc. The same is, however, possible only if a nation follows sound ICT strategies and policies. We have to set our priorities to those areas where we are lagging far behind. One such area is the unequal access of ICT to women.

ICTs are emerging as a powerful tool for gender empowerment in a developing country like India. There has been a rapid growth in the ICT sector since the late 1980s and the use of ICT has dramatically expanded since the 1990s. According to the World Bank, teledensity in India had reached 3.8% of the population by 2001. The number of internet accounts is growing at a rate of 50% per annum. The ITES-BPO<sup>1</sup> sector alone grew at 59%, and employment had reached 106,000 by 2004 [NASSCOM 2004]. The IT and ITES sector is projected to grow 18% in the next five years to become an industry of Rs. 4.58 lakh crores by 2011, according to an IDC<sup>2</sup> release. But there is a strong digital divide in society. According to the 2004 report by the Cisco Learning Institute<sup>3</sup> women comprise only 23% of India's internet users. This gender digital divide in India is characterised by low levels of access to technologies. Poverty, lack of computer literacy and language barriers are among the factors impeding access to ICT infrastructure, especially in developing countries.

**BACKGROUND OF THE STUDY**

Currently, the ICT sector does not take full advantage of female talent. This is bad for the sector and bad for those women who could create new opportunities for themselves and their families with the ICT jobs that we know deliver better salaries and career paths than most other sectors.

This paper looks at the avenues created by ICT-enabled networking processes for women's empowerment. It discusses the main challenges and obstacles faced by women, suggests practical strategies to address those challenges and goes on to suggest ways to improve the conditions leading to women's empowerment. The paper also analyses a case study from India and examines how women's 'power within' has been enhanced through their access to and control of Information and Communication by use of ICTs.

ICT can deliver potentially useful information, such as market prices for women in small and micro-enterprises. For example, use of cellular telephones illustrates how technology can be used to benefit women's lives, by saving traveling time between the market and suppliers, by allowing women to call for product prices and by facilitating the constant juggling of paid and unpaid family activities. However, use of ICT will be limited in impact wherever women have limited or no access to roads or transport, credit and other development inputs. ICTs require that users have some skills and one should not assume that providing the facilities means that everyone in the community will immediately embrace the technology. Two important aspects need to be mentioned. First, as Eva Rathgeber<sup>4</sup> clearly stated, "the key issue is that the technologies should be adapted to suit women rather than that women should be asked to adapt to technology." And secondly, ICT training is of utmost importance if women are to use the technology of their choice. Gaining the required skills further empowers women to use ICT in order to increase their employment choices and contribute to community development. Therefore, the provision of ICT facilities should be complemented with additional services and training. ICTs can become tools for women's active participation in improving their situations. Simple access to information and improved communications can end the isolation of women and promote improved health, access to reproductive services, economic growth.

**INDIAN SCENARIO**

In developing countries like India, more than 90% of women work in the informal sector and sewing or rolling cigarettes, weaving of baskets and fabrics, working in cities as vendors – working without any contracts or benefits. These are the women who need and deserve poverty alleviation programmes more than any other. IT will expose these women to telecommunication services, media and broadcast services that will create markets for their products and services. The challenge will be to reach these women and provide them with ICT tools that they feel can make a difference in their income generation potential. For example, the well-known Self-Employed Women's Association [SEWA]<sup>5</sup> in India has done extensive work to assist women in the informal sector and has established an ICT programme aiming to increase efficiency of rural women. ICT has been used to bring education to the doorstep of the traditionally deprived gender The Self

Employed Women’s Association (SEWA) in India is an initiative to encourage women to become fully employed and self sufficient. SEWA’s initiative to start Rudi no Radio, the first community radio station in a village near Ahmadabad has made hundreds of women gain access to knowledge and information on career opportunities, education, health and sanitation and so on.

Kerala State IT Mission<sup>6</sup> has initiated programmes aimed solely at women, especially women from the less privileged sections of the society.

According to the annual I-Cube Report jointly published by IAMA<sup>7</sup> and IMRB<sup>8</sup>, India's internet population is expected to grow to 121 million users by December 2011 estimates based on a land survey conducted among 201,839 individuals spread across all 4 regions of the country between Apr-Mid June 2011 (covering 32,876 households in 104 cities and 15,889 households in 766 villages). Estimates cover both ‘regular’ and ‘occasional’ users as well as both ‘computer’ and ‘mobile’ based internet users.

India vision 2020<sup>9</sup> has estimated growth of number of telephone lines to increase by 34 to 203 per population of 1000 and number of personal computers to increase by 3.3 to 52.3 per population of 1000. Computerisation of education will dramatically improve the quality of instruction and the pace of learning, so that many students will complete the first twelve years of school curriculum in as little as eight. Computerised distance education will catch on in a big way and enable tens of thousands more students to opt for affordable higher education.

In India cultural values, traditional beliefs, financial dependence on men, and restrictions to entering public places are some of the many reasons for gender disparity. A key point to note when understanding gender inequality in Education in India is that even when gender parity in enrolment is achieved, discrimination toward women still exists as girls are discouraged from choosing subjects at the secondary and tertiary levels which would lead to higher paying career opportunities.

ICT tools provide an opportunity to overcome some of these key barriers. However, initiatives have to be designed specifically for women and awareness needs to be generated among women on the advantages of ICTs and their potential to address specific problems faced by them. Empowering women through access to information is a critical requirement. This awareness raising is an important aspect, as quite often there is no reliable information on available options for women.

Encouraging women to use ICT remains however a challenging task since technology uptake of women and girls tends to be low in India, even in environments where computers are available; since it is generally the boys who are encouraged to use it. To ensure that ICT is used efficiently to deliver education and to overcome the gender gap, differential attention is needed for boys and girls in ICT schemes in Education. Positive discrimination or Affirmative Action in favor of girls, in provision of access to ICT facilities in schools needs to be explored in many of these traditional societies.

To find out the ICT awareness in women an empirical study was conducted

**OBJECTIVES**

1. To know the extent of use of ICT among women.
2. To know the extent of use of tools of ICT among women

**ANALYSIS**

A sample of 100 women was selected, where 78 women fall under below 25 age category and while 22 were above 25 years of age, out of which 47 were working women and 53 were non working women. This paper primarily aims at finding out the exposure of communication technology to women users. The communication technology includes Computers, Mobile phones Television and Radio.

The following charts will explain the findings more clearly.

FIG. 1.1

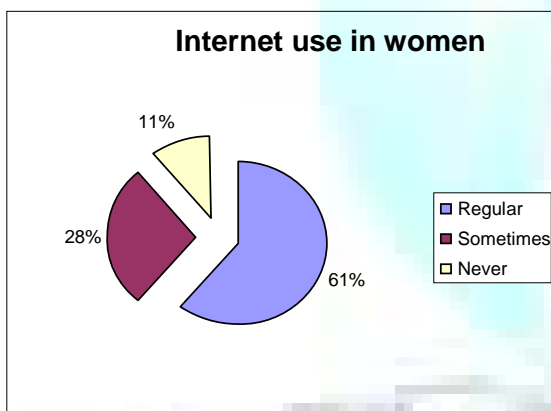


FIG. 1.2

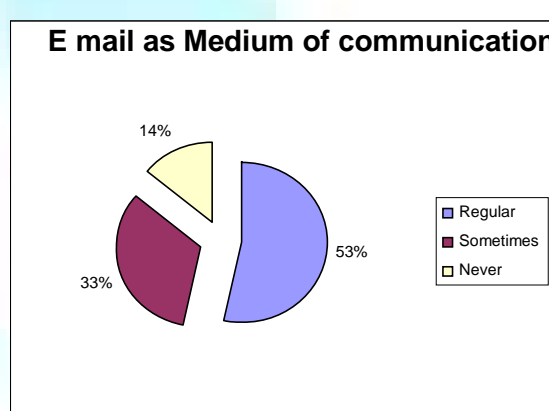


FIG. 1.3

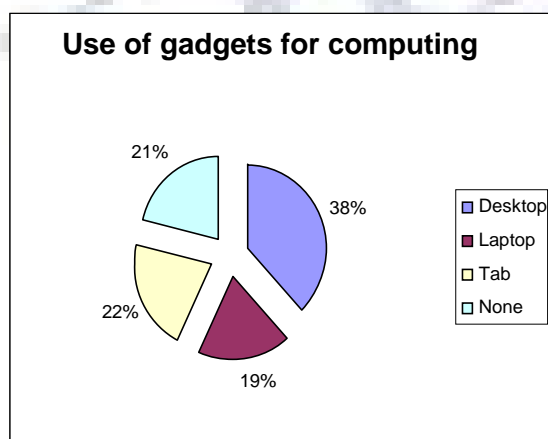


FIG. 1.4

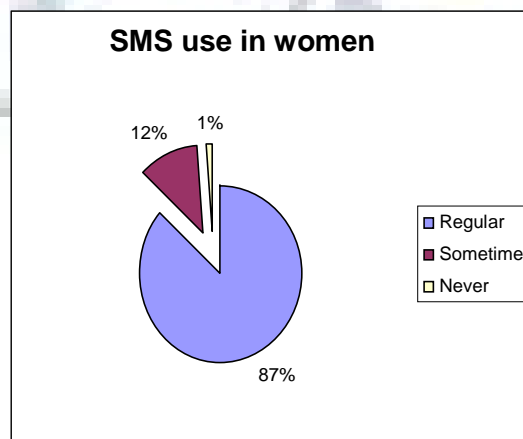


FIG. 1.5

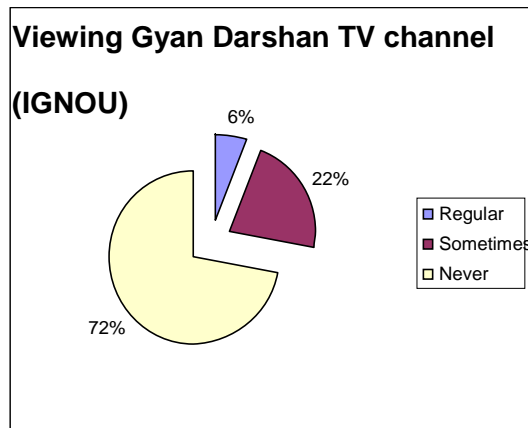
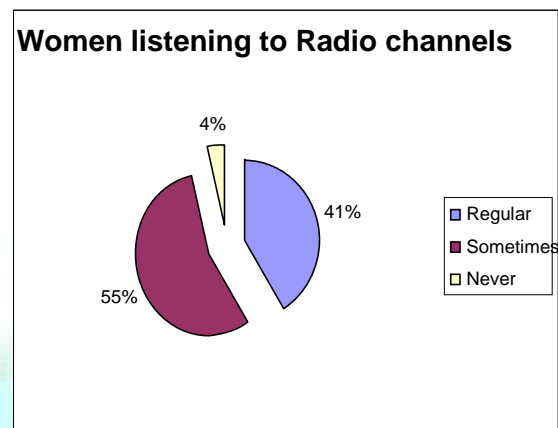


FIG. 1.6



### OBSERVATIONS

The above charts are self-explanatory. 61 % women use Internet and 53 % women use internet as medium of Communication which shows substantial growth. 53 % women use email as medium of communication regularly and other 33 % sometimes show the change in communication media.

Use of gadgets is also substantial. But the SMS technology on mobile phones is used mostly by all regularly.

Regular radio listening is again 55% which is quite high and can be explored to maximum capacity.

SMS since used by all should be more often used as aid in learning. Radio medium also should be developed more for learning process. But Television as medium for learning needs more awareness.

The advent of ICT has changed the global scenario and many unexplored areas are now open for encashment. It is for us to utilise the benefits to the maximum possible extent. The best part about ICT is that it is capable of various adjustments as per the requirements of the segment using the same. The same can also be adjusted as per the needs and requirement of women in India. So much so that it can be operated from every home irrespective of its location. This means that even the traditional and orthodox families can allow the women to participate and use ICT from their respective homes. In India there is an abundance of "women entrepreneurs" who are capable of making their mark at the global level. However, the awareness and facilities are missing drastically. The national policies and strategies have not yet considered this unexplored potential pool of intellectual inputs.

### CONCLUSION & SUGGESTION

1. It is evident that Internet technology exposure and use of computing devices among women is good.
2. Women are using all type of devices and which can be used as advantage in teaching learning activity.
3. Gyan Darshan channel of IGNOU was introduced in year 2000 as 24 hr education channel but due to content quality and time table problems has failed the purpose of this channel and has reached limited people.
4. With simple training and awareness programmes we can make a big difference. Further, we can also encourage the establishment of "Small and Medium Enterprises" (SMEs), Small Scale Industries (SSIs), etc. The need of the hour is to show a positive will to achieve that much needed purpose.
5. Due to high rate of illiteracy & popularity of radio & TV, the communication channel should not be restricted to computer & internet. Integrated multimedia approach should be adopted.

### NOTES

1. Information Technology Enabled Service/ Business process outsourcing.
2. International Data Corporation (IDC) is the premier global provider of market intelligence, advisory services, and events for the information technology, telecommunications and consumer technology markets.
3. The Cisco Learning Network is a social learning community that is focused on the IT industry. The mission of the Cisco Learning Network is to provide learning tools, training resources, and industry guidance, to anyone interested in building an IT career through Cisco Certification. The certification preparation materials offered on the Cisco Learning Network do not constitute a complete self-study program; they represent a suggested starting point for your studies.
4. Eva M. Rathgeber is a consultant in international development. From 2002-2006 she held the Joint Chair of Women's Studies at the University of Ottawa/ Carleton University in Ottawa, Canada and she continues to serve as an adjunct professor at both universities and was elected the new Chairperson of the Gender and Water Alliance (GWA) early August 2009.
5. Self Employed Women's Association SEWA is a trade union registered in 1972. It is an organisation of poor, self-employed women workers.
6. It is an autonomous nodal IT implementation agency for Department of Information Technology, Government of Kerala which provides managerial support to various initiatives of the Department.
7. Internet and Mobile Association of India (IAMAI)
8. Indian Market Research Bureau
9. The Planning Commission constituted a Committee on Vision 2020 for India in June 2000 under the chairmanship of Dr. S.P. Gupta, Member, Planning Commission.

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5. [www.sewa.org](http://www.sewa.org)

**A STUDY ON LABOUR WELFARE MEASURES WITH REFERENCE TO TEXTILE INDUSTRIES**

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**ABSTRACT**

*The importance for welfare arises from a very nature of industrial system, which is characterized by two basic facts; 1) The conditions under which work is carried on are not congenial for health and 2) When labour join industry he has to work in an entire strange atmosphere, creating problems of adjustment. Having a satisfied workforce is very much essential for smooth working of every organization. So this study is conducted to know whether the workers are satisfied with the welfare measures provided by textile industries. The study conducted to provide suggestion to them for improving the employee's satisfaction is too bright out various drawbacks in the existing system.*

**KEYWORDS**

Labour, Satisfaction, Welfare Measures.

**INTRODUCTION**

**W**elfare" is a broad concept referring to a state of living of an individual or group, in a desirable relationship with the total environment - ecological, economic and social. Labour welfare includes both the social and economic contents of welfare. Social welfare is primarily concerned with the solution of various problems of the weaker sections of society like the prevention of destitution, poverty, etc. It aims at social development by such means as social legislation, social reform, social services, social work, social action, etc. The object of economic welfare is to promote economic development by increasing production and productivity and through equitable distribution. Labour welfare is a part of social welfare, conceptually and operationally. It covers a broad field and connotes a state of well-being, happiness, satisfaction, conservation and development of human resources. The concept of labour welfare has received inspiration from the concepts of democracy and welfare state. Democracy does not simply denote a form of government; it is rather a way of life based on certain values such as equal rights and privileges for all. The operation of welfare services, in actual practice, brings to bear on it different reflections representing the broad cultural and social conditions. In short, labour welfare is the voluntary efforts of the employers to establish, within the existing industrial system, working and sometimes living and cultural conditions of the employees beyond what is required by law, the custom of the industry and the conditions of the market.

**REVIEW OF LITERATURE**

1. "In some countries welfare facilities provided is confined to the worker employed in the undertaking concerned while in others the workers facilities rare allowed to share many of the benefits which are made available"<sup>1</sup>.
2. The study conducted in three industrial establishments by Veeraraghavam.P.V.,(1960) investigated employee's attitudes, satisfaction and discontent of employees with regard to wages, supervision, management, job, co-workers, working conditions, communication, welfare facilities and labour union. The study has revealed that the workers in private enterprise were more satisfied than those in public enterprise. Evidence indicates that a deliberate effort to create favorable working conditions was followed by an improvement in morale<sup>2</sup>.
3. The committee of labour welfare which is popularly known as Malviya committee observed that," The scope of labour welfare cannot be confined to facilities within or near the undertaking nor cannot be it so comprehensive embrace the whole range of social welfare, or social service"<sup>3</sup>.
4. The study conducted by Dr. Arun Prakash Chaturvedi (1973) titled "labour conditions in the glass industry of Uttarpradesh", has revealed the problems like, labour turnover, heterogeneous groups of different castes and communities, increase in number of workers exclusively dependent on the glass industry for their livelihood, method of recruitment in the industry, facilities for providing technical education, differences in the wages, method of payment of wages, inadequate dearness allowance, deprived bonus benefits, imposing fines and other unauthorized deductions are existing in the glass industry of Uttarpradesh and various suggestions have been offered by the researcher to improve the conditions of the labour in the Uttarpradesh glass industry<sup>4</sup>.
5. In early 1980, the textile Bulletin stated that the Mumbai Milks Owner's Association has furnished the following information. That the entire member Mills had provided canteens, Creches and Ambulance room for their employees. All the Cotton Mills except one, had open grained shops and sold provisions to

<sup>1</sup>[ International Labour Organization Report, provision of facilities for the promotion of workers welfare, Asian Regional Conference- Nowaru Eleja, Ceylon 1946, a.3]

<sup>2</sup>[Veeraraghavam.P.V., "Employees attitudes – satisfaction and discontent of employees, 1960]

<sup>3</sup>[Malviya committee Report on Labour welfare 1969 P.23]

<sup>4</sup>[Dr. Arun Prakash Chaturvedi, "labour conditions in the glass industry of Uttarpradesh",1973]



- their workers at lowest price, gymnastic and other recreational facilities such as film shows, radio sets and cultural programmes etc., were provided for the benefit of their employees<sup>5</sup>.
6. Dr. Mohinder Singh Dhaliwal (1983), in his study titled "Economics of health Expenditure of labour", has suggested that the improvement in the level of health expenditure of the workers can improve their productivity and the improvement in the health expenditure will improve their earnings and thus help them to break vicious circle of their poverty. The study also reveals that as the under nourishment prevails, the effectiveness of their health giving inputs is not of much significance<sup>6</sup>.
  7. The Indian labour year book 1985 published that the welfare measures, undertaken by the Tata Iron and steel coy at Jamshedpur for their workers as praise worthy. The company provides efficient medical facilities number of school for children grants scholarships and has organized number of welfare centre with usual recreational, library and cultural activities canteen and also maintains crèche etc<sup>7</sup>.
  8. Pal and Vasudeva (1989)<sup>8</sup> rest on the concept that the speed of achieving the economic goal depend not only on how they work, but also on the optimal social and physical conditions in which they work. This study focused on the interacting effect or supervisory style and situation favorableness of job satisfaction and satisfaction level of industrial workers. The result reveals that training programmers in the industries should focus on problems related to human relations so that supervisors become effective leaders<sup>8</sup>.
  9. Rathna (1994), in her study titled "Nutritional status of women working in ginning mills", has probed the health and nutritional status of 200 women, aged 19 to 55 years working in textile ginning mills in Tamil Nadu were examined. The working conditions of the women in the ginning mills were outlined in this study. The study indicates the women in ginning mills have common problems like leg, back, chest, eye pains and respiratory problems<sup>9</sup>.
  10. Charles Nobles (1997) in this study on "A political History of the American welfare Stars". Discussed that public hostility to the welfare state explains why the American government does less and it is seen that, public-opinion surveys had a wide range of social-welfare programs, from social security to public assistance for the poor. Nor do a think that Americans are better off with less government; in contrast to the United States, then available evidence suggests that public programs to promote economic security have substantially improved people's lives<sup>10</sup>.
  11. Spar and Deboral (1998) in their studies observed that "The Spotlight and the Bottom Line; how multinationals export human rights". Advantages of lower-cost labour of lower-cost inputs from are abusive suppliers; evidence that support the potency of the spotlight phenomenon about labour abuses; and why human rights and US multinational are considered unlikely bedfellows<sup>11</sup>.
  12. Blow field a Mick (1999) found that "Ethical Trade a review of developments and issues". The paper identifies the common ground between sect oral approaches, examining, for instance, work from forestry, fair trade, agricultural and the apparel industry. The paper concludes by arguing the need for greater integration of social and environment issues, and the developments of approaches Able to identify and reflect the ethical trade is intended to assist<sup>12</sup>.
  13. Deepa. M (1999) in her study concentrated on job Satisfaction of employees and their general attitude towards their job. The employees Satisfaction or Dissatisfaction with their job with regard to pay, allowances, working time, working condition, promotions, grievances handling, transport facilities, relations with superiors, peers assistants and welfare facilities. The study reveals to what extent the various actors affected the Satisfaction of the working<sup>13</sup>.
  14. Maria & Daniel (2000) say that "Women work effort, occupation and economic wellbeing. Current welfare reforms attempts to move low-income women with children from reliance on welfare to work. The logic of some current efforts relies on the thesis that employment, even in low-paying jobs, leads eventually to self-sufficiency. With data from the National Longitudinal Survey of youth, the authors analyzed the relationship between work history and economic success during the first five years after women leave welfare. They found that over time median wages and hours worked increase and that earnings generally improved. Nonetheless, even in the fifth years, only one in four consistently worked full-time. Although current welfare reforms are focused on moving women into jobs quickly, results cited in this article suggest that employment itself is not a guarantee of economic success<sup>14</sup>.
  15. Pravin Sinha (2000) states that Trade Unions in India work mainly with workers in formal employment in public sector. However most people in Indian work in the informal economy, and their needs are attended mainly by voluntary agencies or NGOs. Economic globalization and the work; as representatives of working people, unions and agencies alike are being marginalized. Paradoxically, this situation is encouraging these organizations to overcome the mutual mistrust that has characterized relations between in the past, and to join forces in order to pool their strengths, this articles describes the background and current situation in general terms before presenting a case study of NCL, an apex body of labour organizations of all kinds working in the informal sector in India<sup>15</sup>.
  16. Basu & Baushik (2001) says that "Initiative for Higher International labour Standards". The International Labour Standards (ILS) movement, meant to be an initiative to promote better working conditions in the third world, has been widely opposed by Third World governments and workers., the contemporary world has seen a bewildering number of initiatives or suggestions for ILS, to be coordinated through the offices of the UN,ILO and WTO and while global opinion has become more sophisticated in recent years, the existing initiatives are ill-conceived and are likely to have undesirable fall-outs<sup>16</sup>.

## NEED FOR THE STUDY

The study of "Labour welfare" has great importance in the present situation. It is mainly concerned with the improvement of the efficiency of labours. The labours are the most valuable assets of any organization as they are responsible for achieving the goals of the business firms. A happy and contented will put in hard work for increased production. Suppose if the amenities are not properly given them both the quantity and quality of the output will suffer. The performance of the labours mainly depends upon the satisfaction. He derives from the facilities and opportunities. Prevailing in the working environment which in turn affects the efficiency of labour welfare activities are also the best investment for employees as they promoted industrial.

## STATEMENT OF THE PROBLEM

The importance for welfare arises from a very nature of industrial system, which is characterized by two basic facts, one the conditions under which work is carried on are not congenial for health and second, when labour join industry he has to work in an entire strange atmosphere, creating problems of adjustment. Having a satisfied workforce is very much essential for smooth working of every organization. So this study is conducted to know whether the workers are

<sup>5</sup> [The textile Bulletin- 1980-Mumbai Milks Owner's Association]

<sup>6</sup> [Dr. Mohinder Singh Dhaliwal, "Economics of health Expenditure of labor", 1983]

<sup>7</sup> [The Indian labour year book – "welfare measures"- 1985]

<sup>8</sup> [Pal, Madan and Vasudeva, Pramila (1989), 'Supervisory style and situational favorableness as related to workers job satisfaction': Indian journal of Industrial Relations, Vol.24, No.3, Jan, pp.289-294]

<sup>9</sup> [Rathna, "Nutritional status of women working in ginning mills",1994]

<sup>10</sup> [Charles Nobles, "A political History of the American welfare Stars", 1997]

<sup>11</sup> [Spar and Deboral, "The Spotlight and the Bottom Line; how multinationals export human rights", 1998]

<sup>12</sup> [Blow field a Mick, "Ethical Trade a review of developments and issues", 1999]

<sup>13</sup> [Deepa. M "The Job Satisfaction of employees in Suguna Spinning Mills Limited, Udumalpet", MBA Student, 1999.]

<sup>14</sup> [Maraia & Daniel - Women work effort, occupation and economic wellbeing, 2000]

<sup>15</sup> [Pravin Sinha - Trade Unions in India work – 2000]

<sup>16</sup> [Basu & Baushik, "Initiative for Higher International labour Standards", 2001]



satisfied with the welfare measures provided by the company. The study conducted to provide suggestion to them for improving the employee’s satisfaction is too bright out various drawbacks in the existing system.

**OBJECTIVES OF THE STUDY**

- To acquire the knowledge about varied welfare measures adopted in textile industries.
- To study the labours satisfactory level of welfare measures in textile industries in Coimbatore city.
- To elicit the opinion of labourers working in textile industries in Coimbatore city.
- To make constructive suggestions to improve the welfare facilities.

**RESEARCH METHODOLOGY**

The research design used in this study is descriptive. The study is confined to the employees working in the textile industries in Coimbatore city. The study used both primary and secondary data. Totally 400 samples were selected by using simple random sampling method. The primary data collected from respondents through questionnaire. The secondary data is collected with the help of various company records, company manual, internet, journal, books etc.

**TOOLS FOR ANALYSIS**

The following are the statistical tools used for the study

1. Simple Percentage Analysis
2. Chi-Square Analysis

**DATA ANALYSIS AND INTERPRETATION**

**TABLE I: AWARENESS ON STATUTORY WELFARE FACILITIES**

S.NO	AWARENESS ON STATUTORY WELFARE FACILITIES	NO. OF RESPONDENTS	PERCENTAGE
A	Yes	360	90
B	No	40	10
	Total	400	100

Source: Primary Data

**Interpretation**

It is witnessed from the above table that 90% of the respondents stated that awareness about welfare facilities. On the other hand 10% of the respondents stated that no awareness about statutory welfare facilities. From the analysis, it is concluded that most of the respondents having awareness about statutory welfare facilities.

**TABLE II: LEVEL OF SATISFACTION ON STORING AND DRYING CLOTHING FACILITY**

S.NO	SATISFACTION LEVEL	NO. OF RESPONDENTS	PERCENTAGE
A	Good	40	10
B	Satisfactory	232	58
C	Poor	128	32
	Total	400	100

Source: Primary Data

**Interpretation**

It can be seen from the above table that 58% of the respondents opined that satisfied in storing and drying clothing facility.32% of the respondents opined that poor satisfaction in storing and drying clothing facility. On other hand 10% of the respondents opined that good in storing and drying clothing facility. From the analysis, it was found that 58% of the respondents opined that satisfied in storing and drying clothing facility.

**TABLE III: CLASSIFICATION ON HOUSING ACCOMODATION FACILITY**

S.NO	HOUSING ACCOMODATION FACILITY	NO. OF RESPONDENTS	PERCENTAGE
A	Yes	60	15
B	No	340	85
	Total	400	100

Source: Primary Data

**Interpretation**

It is witnessed from the above table that 85% of the respondents expressed that they are not having housing accommodation and 15% of the respondents expressed that they are having house accommodation. From the analysis it is concluded that 85% of the respondents opined that they are not having housing accommodation.

**TABLE IV: SEX AND LEVEL OF SATISFACTION ON WASHING FACILITY**

Sex	Level of satisfaction			Total
	High	Medium	Low	
Male	48 (48%)	124 (49.21%)	28 (58.33%)	200
Female	52 (52%)	128 (50.79%)	20 (41.67%)	200
Total	100	252	48	400

**Interpretation**

It is lime lighted from the above table that the percentage of high level of satisfaction on washing facility in textile industries was the highest (52%) among the female category of the respondents and the same was the lowest (48%) among the male category of the respondents. The percentage of medium level of satisfaction on washing facility in textile industries was the highest (50.79%) among the female category of the respondents and the same was the lowest (49.21%) among the male category of the respondents. On the other hand, the percentage of low level of satisfaction on washing facility in textile industries was the highest (58.33%) among the male category of the respondents and the same was the lowest (41.67%) among the female category of the respondents.

In order to find the relationship between sex of the respondents and level of satisfaction of washing facility in textile industries, a chi-square test was employed to test the hypothesis and the result of the test is shown in the following table.

Ho : There is no significant relationship between the sex of the respondents and level of satisfaction on washing facility in textile industries.

H1: There is a significant relationship between the sex of the respondents and level of satisfaction on washing facility in textile industries.

TABLE V: SEX AND LEVEL OF SATISFACTION ON WASHING FACILITY (CHI-SQUARE TEST)

	Value	Degree of freedom	Table value at 5% significant
Pearson Chi-square	0.39	2	5.99

**Interpretation**

It is witnessed from the above table that the calculated chi-square value is less than the table value and the result is not significant level. Hence, the null hypothesis  $H_0$  is accepted. From the analysis it is concluded that there is no significant relationship between the sex of the respondents and level of satisfaction on washing facility.

TABLE VI: INCOME AND LEVEL OF SATISFACTION ON CANTEEN FACILITY

Income	Level of satisfaction			Total
	Good	Satisfactory	Poor	
Up to 6000	96 (75%)	96 (43.64%)	28 (53.85%)	220
6001-8000	12 (9.38%)	28 (12.72%)	4 (7.76%)	44
8001 and above	20 (15.63%)	96 (43.64%)	20 (38.46%)	136
Total	128	220	52	400

**Interpretation**

The above table highlights that the percentage of high level of satisfaction on canteen facility in textile industries was the highest (75%) among the respondents earning up to Rs.6000 per month and the same was the lowest (9.38%) among the respondents earning 6000-8000 per month. The percentage of medium level of satisfaction on canteen facility in textile industries was highest (43.64%) among the respondents earning Rs.6000-8000 and above and the same was the lowest (12.72%) among the respondents earning below 8000 per month.

On the other hand the percentage of low level of satisfaction on canteen facility in textile industries was the highest (53.85%) among the respondents earning Rs.6000 per month and the same was the lowest among the respondents earning between Rs.6000-8000 per month. While analysis of income of the respondents, it is inferred that the respondents income up to Rs.6000 per month is highly satisfied with canteen facility when compared with other categories. It is proved with the help of chi-square test that there is a close relationship between the income of the respondents and the level of satisfaction on canteen facility

In order to find the relationship between the respondents' income and the level of satisfaction on canteen facility in textile industries, a chi-square test is shown in the following table.

$H_0$ : There is no significant relationship between the respondents' income and their level of satisfaction on canteen facility in textile industries.

$H_1$ : There is a significant relationship between respondents' income and their level of satisfaction on canteen facility in textile industries.

TABLE VII: INCOME AND LEVEL OF SATISFACTION ON CANTEEN FACILITY (CHI-SQUARE TEST)

	Value	Degree of freedom	Table value at 5% significant
Pearson Chi-square	10.41	4	9.49

**Interpretation:**

It is identified from the above table that the calculated chi-square value is greater than the table value and the result is significant. Hence, the null hypothesis  $H_0$  is rejected and the alternative hypothesis  $H_1$  is accepted. From the analysis, it is concluded that there is a close relationship between the respondents' monthly income and their level of satisfaction on canteen facility.

**FINDINGS OF THE STUDY****SIMPLE PERCENTAGE ANALYSIS**

- Majority of the respondents (90%) were belongs to manufacturing department.
- Majority of the respondents (35%) are age group 31-40 years.
- Majority of the respondents (90%) are married.
- The sex of the respondents i.e. male (50%) and female (50%) is equal.
- Majority of the respondents (31%) are having 5-10 years experience.
- Majority of the respondents (55%) are temporary labour.
- Most of the respondents (55%) are earning income up to 6000.
- Majority of the respondents (90%) are having awareness about the statutory welfare facilities.
- Majority of the respondents (70%) got awareness through circular.
- Majority of the respondents (63%) are satisfied with washing facility.
- Majority of the respondents (58%) are satisfied with storing and drying, clothing facility.
- Majority of the respondents (56%) are satisfied with sitting facility.
- Majority of the respondents (70%) are satisfied with first aid appliances.
- Majority of the respondents (53%) are felt that ventilation in rest room is good.
- Majority of the respondents (56%) are satisfied with lighting in rest room.
- Majority of the respondents (54%) are satisfied with cleanliness in rest room.
- Majority of the respondents (56%) are satisfied with furniture facilities in rest room.
- Majority of the respondents (40%) are satisfied with toilet / bathrooms in rest room.
- Majority of the respondents (63%) are satisfied with lunchroom facility.
- Majority of the respondents (55%) are felt that quality in canteen is good.
- Majority of the respondents (57%) are satisfied with quantity in canteen facility.
- Majority of the respondents (48%) are satisfied with price in canteen facility.
- Majority of the respondents (56%) are satisfied with working hours of canteen.
- Majority of the respondents (55%) are satisfied with the canteen management.
- The transport facility is only available for female respondents (50%).
- Majority of the respondents (34%) are satisfied with the transport facility.
- Majority of the respondents (85%) are not having the housing accommodation.
- Majority of the respondents (26.7%) are satisfied with water facility in housing accommodation.
- Majority of the respondents (66.7%) are felt that electricity facility in housing accommodation is good.
- Majority of the respondents (53.4%) are felt that ventilation in housing accommodation is poor.

- Majority of the respondents (73.3%) are felt that sanitation in housing accommodation is poor.
- Majority of the respondents (80%) are felt that space in housing accommodation is poor.
- Majority of the respondents (55%) are not having the co-operative store facility.
- Majority of the respondents (73.4%) are felt that quality in co-operative store is good.
- Majority of the respondents (57.8%) are felt that quantity in co-operative store is good.
- Majority of the respondents (60%) are felt that price in co-operative store is good.
- Majority of the respondents (53.3%) are satisfied with any other items in co-operative store.
- Majority of the respondents (60%) are felt that recreation facility is poor.

#### CHI-SQUARE TEST

- There is a significant relationship between the sex of the respondents and washing facilities.
- There is a significant relationship between the experiences of the respondents and awareness about statutory welfare facilities.
- There is a significant relationship between the job type of the respondents and storing and drying, clothing facility.
- There is no significant relationship between the age of the respondents and sitting facilities
- There is no significant relationship between the age of the respondents and first aid appliances.
- There is a significant relationship between the marital status of the respondents and first aid appliances.
- There is no significant relationship between the sex of the respondents and ventilation in restroom facility.
- There is no significant relationship between the sex of the respondents and lighting in rest room facility.
- There is no significant relationship between the sex of the respondents and cleanliness in rest room facility.
- There is no significant relationship between the sex of the respondents and furniture facilities in rest room.
- There is a significant relationship between the sex of the respondents and toilet / bathrooms in rest room.
- There is no significant relationship between the income of the respondents and quality aspect in canteen facility.
- There is no significant relationship between the income of the respondents and quantity aspect in canteen facility.
- There is no significant relationship between the income of the respondents and price in canteen
- There is no significant relationship between the income of the respondents and working hours of canteen.
- There is a significant relationship between the income of the respondents and the canteen management

#### CONCLUSION

The main objective of this paper is to determine the satisfactory level of welfare facilities in textile industries. This paper has also attempted to study relationship between the sex of the respondents and washing facilities and between the income of the respondents and the level of satisfaction on canteen facilities. The outcome of the study may help the organization to differentiate the satisfying factors from dissatisfying, effective steps to improve the labour welfare measures provided will lead to increase their work effectively.

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# AN ANALYSIS AND EVALUATION OF A UNIVERSITY'S E-COMMERCE READINESS: A CASE STUDY OF BOTHO UNIVERSITY

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## ABSTRACT

*Most businesses are considering implementing e-commerce systems to gain competitive advantage. Various models have been developed for assessing organisation's e-readiness and some of them involve very complex calculations. An organization that meets the e-readiness criteria specified in the model is said to be ready to implement an e-commerce system. The readiness may be measured on the basis of the resources that the organization has compared to what is required to implement an e-commerce system. The study therefore measures the preparedness of a university to implement an e-commerce system and suggests an architecture that may be adopted in the occasion that the institution decides to implement an e-commerce system.*

## KEYWORDS

assessment, e-commerce, e-commerce readiness, ROI.

## INTRODUCTION

E-commerce is growing at a record pace and this has seen many organisations setting up e-Commerce systems to assist them in their operations. Ahmed et al (2010) described the adoption of e-commerce as an approach for enhancing the effectiveness of business practices. Universities may adopt e-Commerce from the communication and business process perspectives. The communication perspective involves the delivery of information and/or services over computer networks whilst the business process perspective involves the application of technology in automating the business transactions. In organisations, e-commerce has been adopted to integrate part or the entire business processes depending on the technology requirements and the organisation's capability to avail the resources. For Botho University, an e-commerce system may be focused on the education business process, as a way of facilitating the exchange of information within the different university faculties as well as with other stakeholders particularly the students and prospective students over computer networks. This paper tends to identify and evaluate the University's resources against the components that have been identified as necessary for the implementation of an e-Commerce system. It is important to measure how far an organisation is from meeting the requirements for a successful implementation. In cases where the resources are not available, the e-commerce initiative becomes difficult to accomplish and may be delayed until the organisation becomes ready so that a high return on investment may be realised. The need to place Botho University in-line with other universities in the region has led to this study.

## BACKGROUND

The organization under study is a privately owned university operating in Botswana, from three major centres spread across the country. Botho University has a staff compliment of over 400 including the non-academic personnel. The enrolment is over 1000 students comprising of both full and part time students of which the majority are Botswana citizens. In the country, it is the centre of excellence in terms of Information Technology courses and the implementation of the latest technologies in the computer laboratories and teaching platforms, the latest being the adoption of Blackboard to facilitate blended learning. Every student has access to their own machine in the laboratories and may access the internet from anywhere in the campus through the wireless configurations. These are some of the attributes that have seen Botho University grow from a small college to a university over the years; the first privately owned in Botswana. The main activities in the organization are centred on learning, teaching and assessment of students who apply for admission and if they meet the entry criteria are mainly enrolled for courses in Accounting, Business Management and Information Technology (IT). Some of the courses offered are franchise courses from partner universities in the world. In this case, students are tutored from Botswana by approved tutors and their assessments handled by the awarding institutions. Both the students and university authorities manage these through communication over the internet, hence the unlimited access to the internet. Apart from the external communications, the different departments use e-mail as the major mode of communication with forms to support various day to day activities. These forms are available from any of the centres through a portal designed in-house for this purpose. The management has invested a lot in ensuring that communication is effective and one investment is on the employee laptops. Every employee is given a laptop to use, running away from the traditional desktop computers.

## REVIEW OF LITERATURE

In-order to make an informed decision, it was necessary to gather information from literature. Zakaria and Janom (2011) developed a conceptual framework that can be used to assess the preparedness of an organization in adopting Business to Business (B2B) e-commerce. The framework included eight aspects related to individuals, organization and environment and indicators for each aspect were defined. Experts, being representatives of the beneficiaries or stakeholders (Menou, 2011) were selected to evaluate whether the identified aspects and indicators were appropriate in evaluating an organisation's preparedness and readiness. The framework involved experts in each area to validate and assess how far an organization is from implementing an e-commerce system based on the aspects and indicators defined. The framework seems valuable because the experts involved were selected from various size and types of organizations with lots of working experience. The major setback however is that the weight of criticality of each indicator on how the evaluation sessions will be conducted and the stage at which these indicators may be used was not defined. These limitations make it difficult to adopt the framework in accessing Botho University's e-commerce readiness.

In a bid to develop an ICT Readiness Assessment Model for Public and Private Organizations, Chanyagorn and Kungwannarongkum (2011) proposed a model which comprised of indicators for the four main ICT factors which contain 16 sub factors, making a total of 38 indicators.

An organisation's documents may be reviewed, combined with observations and interviews to get the indicators which would be measured and rated using defined criteria. To get the overall readiness level, Chanyagorn and Kungwannarongkum (2011) suggested that the formula below be used:



ICT Readiness level =  $D_i + D_h + H + D_s + S + D_p + P$

Where:

- $D_i$  = Developing factor of ICT infrastructure factor  
 $I$  = Average of ICT infrastructure score  
 $D_h$  = Developing factor of ICT hardware factor  
 $H$  = Average of ICT hardware score  
 $D_s$  = Developing factor of software and information system factor  
 $S$  = Average of software and information system score  
 $D_p$  = Developing factor of people factor  
 $P$  = Average of people score

Chanyagorn and Kungwannarongkum (2011) also defined guidelines for interpreting the readiness levels, how the different indicators were related and how they could be analysed. The model is ideal for small to medium organizations in developing countries, like Botho University. It seeks to evaluate the main factors which are hardware, people, software and the infrastructure. In this study, some of the documentation is not readily available for review, such that calculating the readiness level may be a mammoth task. It is because of the scores for the indicators that may not be easy to calculate, that this assessment tool becomes difficult to adopt for the Botho University case.

Ahmed and Ibrahim (2010) in their study of e-commerce adoption strategies for Libyan government mentioned that adoption of e-commerce enhances the effectiveness of business practices helping an organization to gain competitive advantage, reduce transaction costs and enhance productivity. Twelve steps were identified as the effective way of implementing e-commerce in the Libyan government. Ahmed and Ibrahim (2010) define different types of e-commerce and they identified the function of B2B which matches the objectives of the e-commerce initiative at Botho University. Fox and Bayat (2007) argued from another category of e-commerce perspective and defined B2C as a process involving customers who gather information through electronically linked network. In their research, they identified important and relevant resources for the implementation of e-commerce systems as the Internet, policy, infrastructure, people skills as well as provision of incentives.

Mata et al (1995) developed a Resource –Based View (RBV) model that identified e-commerce resources, managerial e-commerce skills and business networks as indicators of an organisation's capability to implement an e-commerce system. They explained what each indicator entails but were silent on how they are measured in order to understand whether an organization is ready or not. Of course the indicators may be easy to identify in Botho University but there is no way stated in this model of how they may be evaluated to inform the decision.

Wokosin (n.d.) in their work differentiated the e-commerce business into back-end and front-end. Some of the back-end components were described as the security of products, order fulfilment and customer service whilst the front-end components may include a database, dynamic HTML, DOM, security and payment processing. All these components were described clearly stating their purpose and how they relate to back-end components as well as how the front-end components relate to the back-end components. Wokosin's work is related to this study because it states the basic components of e-commerce which may be used in assessing Botho University's e-commerce readiness. The availability of the components would indicate that this organization is ready to adopt e-commerce. However the decision would not be well informed because there are no measures or indicating levels to define what is acceptable. The reason why Wokosin's suggestion may not work on its own is because there is no measure although the components may be used at the early stages of evaluation.

Machkasova (2002) identified the basic components of an e-commerce system as access gateways, database interfaces, network and communication interfaces, application interfaces, network and application services, middle tier logic and application execution services. An organisation's e-commerce readiness is determined by the extent of availability and configuration of these components. An organisation that has these components may be regarded as prepared to adopt an e-commerce system.

Chan and Swatman (1999) described how e-commerce was implemented at BHP Steel. In their work, they described what was required to implement e-commerce, the factors affecting its implementation and the results of the implementation. According to Chan and Swatman (1999), implementation may be in three different stages each with its set of objectives and implementation to achieve the defined objectives. Like most projects, implementing e-commerce was hindered by the high cost of the Internet, security, speed and timing of delivery amongst others. The complete implementation of e-commerce at BHP Steel is described in this paper, including the experiences learned. From the case study, 3 main groups of issues being technology, management and business issues were identified and considered as critical in implementing e-commerce. This work is relevant to this study as it gives an idea of how e-commerce may be implemented at Botho University, given that it is the early stages of an implementation where technological issues seem to dominate the process (Chan and Swatman, 1999).

## REQUIREMENTS OF AN EFFECTIVE SYSTEM

The analysis was done by checking and verifying whether the basic components identified by Wokosin (n.d.) and Zakaria and Janon (2011) were available in the organization. Wokosin (n.d.); Chan and Swatman (1999) mentioned that at an early stage, the technological issues are the most important means to judge whether the university is ready or not. An e-commerce system must be properly configured if it is to add value to the organization. To implement the system, the basic components include a database, interface, encryption and security, payment processing and java servlets and cookies. Each of these components is discussed here:

### DATABASE

A database, which is a collection of information, is required to store all the information that the prospective students and other stakeholders would access. The information about students, courses and every piece of information displayed on the website will be stored on a database. In cases where students have access to the information, a record of what they would have accessed must be kept so that it may be used for support services if need be. The other information that may be stored is the fees payment details, enquiries and frequently asked questions.

### INTERFACE

The users of an e-commerce system access the database component through applications and a website. The interface allows the user to perform transactions and communicate with the organizational information. This is where the users can see and select the products and services available (Wokosin, n.d.).

### ENCRYPTION AND SECURITY

Dhillon et al (2001) mentioned that there is so much data that is collected in e-commerce and the technologies implemented make it very easy to access such data hence the need to configure security for e-commerce systems. There are various levels of securing information over the internet and for an organization using the internet for communication, it is important to configure security at each and every level.

### PAYMENT PROCESSING

Payments are a part of the buying and selling process and when a payment is made, the transaction is committed. The most commonly used payments in e-commerce are electronic given that the majority of customers are geographically dispersed. Some of the e-payments systems include electronic Fund transfer, payment cards, credit cards, online payments and e-wallets. If Botho University is to implement an e-commerce system, it has to consider e-payment systems to cater for the different customers that may be geographically dispersed. It will also reduce cases where students convert fees to their own use when sent by parents to pay. The parents may instead make payments through e-payment system.

### JAVA SERVLETS AND COOKIES

The electronic forms that are often used for e-commerce must reach the customer in their correct format, in a secure and timely manner. The servlets and cookies are a necessary technology in e-commerce systems because they facilitate the transfer of digital forms to the application safely and in their correct format. Information on the computer is translated by software programs into a standard format and the servlets ensure that these formats are readable using different browsers for example. Cookies on the other hand are important as they improve the speed or rate at which the forms are accessed by the customers. It



is general knowledge that they keep a path to where the forms are such that when they try to access a form they have previously accessed, it will be displayed faster than one that they have not accessed before.

In addition to the components described, analysed above, the internet is an important resource for the implementation.

### CONCLUDING REMARK ON LITERATURE REVIEW

Having considered the related work done by other authors, Botho University's preparedness for e-commerce shall be ascertained by evaluating its technological resources using the guidelines mentioned by Wokosin (n.d.). The measures and tools that have been defined by different authors will be integrated and used in evaluating Botho University's e-commerce readiness. This approach suggests a design of the Internet Architecture and security and evaluates the system costs and return on investment (ROI). This evaluation will be the basis of stating whether the organization is now prepared to implement an e-commerce system, if not then the gap will be identified.

The availability of these resources will mean that the university is at least able to implement an e-commerce system. Chan and Swatman (1999) suggested that the technological issues are the ones that are important at the early stage hence the decision to access readiness based on the availability of the technological components. However the extent of preparedness will remain an area for further study, where a model may be adopted to measure it. For the sake of this study, as long as the components are available, the University is prepared to implement the system.

### IMPORTANCE OF THE STUDY

The purpose of this study is to assess how ready Botho University is to implement an e-commerce system that will reach out to the students and prospective students the world over. The results of this study may be used to make a decision on whether to implement an ecommerce system or not given that it is Botho University's goal to extend its operations to other countries in Africa (for a start) and beyond.

### STATEMENT OF THE PROBLEM

In the ever changing IT environment, most universities around the world have been able to implement e-commerce systems. Their students use these systems to even take up assessments from wherever they are. Botho University has some of the resources required to implement an e-commerce system although they have not been evaluated to measure whether they are enough or not for the implementation of an e-commerce system. The e-commerce initiative will help improve customer service because students may be able to access their course information from anywhere anytime as long as there is internet connectivity. This study is aimed at helping Botho University to implement an e-commerce system whose objectives may include the following:

1. To reach students from anywhere even outside Botswana, one of the strategic goals for the next 5 years.
2. To provide easy access to business information that the targeted students would need without physically visiting the institution. For example information about enrolment, the courses offered, the fees and learning materials may also be accessed through this e-commerce system thereby improving some business processes.
3. To enable students to access their course material from anywhere, anytime thus improving customer service which has been limited to the office hours.
4. To provide a way of paying fees online and reduce the paper handling costs
5. To match the standards of other universities in the region and in the world and gain competitive advantage over competing universities in Botswana for a start.
6. To maintain and keep updated information at all times.

The need to implement an e-commerce system that will achieve the objectives stated above is the major motivation for this study. There is need for measuring the University's preparedness to implementing an e-commerce system. This study will focus on evaluating the resources available at Botho University and measuring how far they are from meeting the requirements for implementing an e-commerce system.

### OBJECTIVES

The main objectives of this study are:

1. To evaluate whether the infrastructure, hardware, software and people resources currently available are enough to successfully implement an e-commerce system
2. To identify the technological requirements for a successful implementation
3. To map the architecture that may be used for the proposed system.

### SCOPE OF THE STUDY

In this study, technological factors are used in evaluating the University's e-readiness. Their availability will indicate the readiness. However the extent of their availability will not be covered in this study and is proposed for further work. The study is limited to the identification of the e-readiness factors and uses them to evaluate the readiness. If factors are in place, then University is e-ready. The extent of preparedness is not part of this study.

### RESEARCH METHODOLOGY

Data Collection is an important aspect of any type of research study. This section of the paper seeks to explain how information used in this research was gathered, what was gathered as well as the different sources of the information. Various data gathering techniques including documents review, observations, interviews and questionnaires were used to understand Botho University's preparedness. Rosenzweig and Roth (2007) stated that literature review helps in understanding the concept and provides theoretical ground for research. Literature review was used to identify the critical components for the implementation of e-commerce.

#### INTERVIEWS

Face-to-face interviews were conducted with the various heads of departments who had a role in the e-commerce system implementation. These key people include: IT team, Human resources administrator, Student services manager, marketing representative and the centre's education manager were the people interviewed. An interview guide for each department with unique set of questions was created.

#### OBSERVATIONS

Another data gathering method adopted was observations, which was aimed at checking the actual performance of the resources at peak hours. Employees were observed as they accessed the internet to do their different tasks with the aim of establishing its speed. A visit to the computer server room helped see the technological components available as well as their utilization levels to evaluate whether they could be expanded to accommodate the e-commerce.

#### QUESTIONNAIRES

A questionnaire was given to members of the technical team at one centre to complete. The set of questions included ticking whether a stated component was available in the organization, if available, they were expected to indicate how reliable it is and whether they thought it would be able to sustain extended usage in its current state.

### RESULTS & DISCUSSION

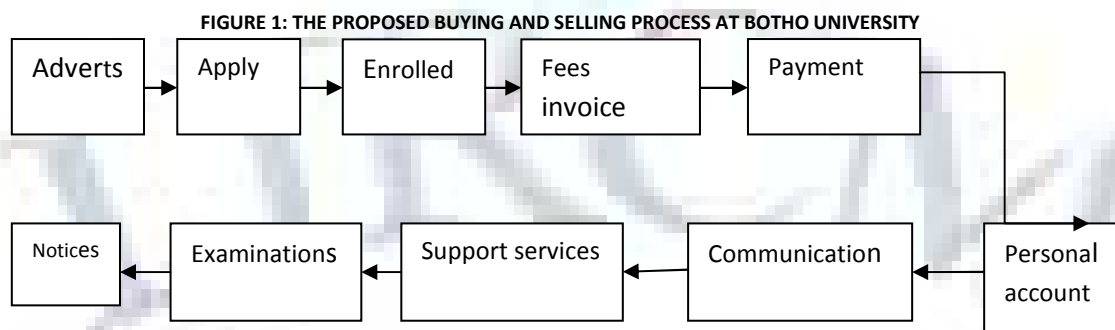
From the interviews, it was established that there was a database server located at the main campus which is accessible over a network from other centres. These high capacity servers, keep updated information because the setup is such that updates are synchronized at the time of committing a transaction with the

delay being the network speed. This means that the server keeps up to date information and is kind of real-time in terms of its access. Botho University in terms of the database component of an e-commerce system has the resource which when properly integrated and configured would be a valuable part of the system

- The questionnaire collected evidence that the centre need expansion and proper configuration to successfully implement an e-commerce system. There are adequate resources in all centres which need to be properly configured for optimal performance.
- Botho University has made a huge investment on the internet which is available to all employees and students through the cable and wireless connections. There are no restrictions in terms of duration of access for all within the organization although the speed tends to be slow at the satellite centres. There is need to improve the speed for a successful implementation of an ecommerce system because the Internet is the medium of communication for most ecommerce systems
- It was established that the information about all the business processes is centralized at the main campus with centres accessing it over the Internet. Although this has brought about flexible access, the Senior Technician explained that problems are experienced when there are connectivity issues. He however mentioned that it is good because all the information kept is at its updated state every time that it is accessed.
- Although skills are important in the success of an e-commerce system, it was found out that currently, there are very few employees with the prerequisite skills. Training the current staff will be appropriate to avoid extra costs of contracting support for the e-commerce system.
- Botho University in terms of the database component of an e-commerce system has the resource which when properly integrated and configured would be a valuable part of the system. There are various applications for different purposes that are already working at Botho University. An ERP system has been rolled out for some of the business processes thereby addressing the issue of redundant data that was caused by the various subsystems storing almost the same data.
- Website (a requirement of the interface for an e-commerce system) and is already available at the Botho University. All the employees and students already have access to this site from anywhere and anytime because it is available over the internet. A list of the courses offered is available on the site although there is no feature to apply online, an issue that the e-commerce initiative may address. The website displays some special effects and roll over pictures which may be a good thing to attract customers. Java script has been used to implement these effects. However, the website needs to be further evaluated to establish whether it has appropriate components for use as an interface to the e-commerce system.
- To address security issues, there is some kind of Virtual Private Network that has been created to ensure that only those devices with the certificate may access the systems.. This does not impact on the security alone but also on the accessibility of the centralized database. It has seen an improvement in the communication speed. Security must be configured to secure the payments that may be made electronically. It is important to mention that, there are some security flaws that may be further exposed by the e-commerce system, where many users may try to access the website using different browsers and web server applications. There is therefore need to configure the Secure Socket Layer protocol to secure communications over the Internet as suggested by Wokosin (n.d.). On this component, further developments are required for a secure e-commerce system.
- To complete the buying and selling process, customers should be able to make payments without a physical visit to the campus hence the need to explore the implementation of e-payment. Currently, students may pay their fees to a cashier at any of the campuses, manual payment system. If Botho University is to implement an e-commerce system, then security must be configured to secure the payments that may be made electronically.
- Botho University has introduced a number of new courses, expanding the number of online products that the institution may offer to prospective students. The e-commerce system will be useful in reaching the geographically spaced customers.
- The new ERP system has a Customer Relationship Management (CRM) function that may be used to support before and after sales services. However this function has not been fully rolled out with user training being a main focus area.
- Java servlets and cookies are available and configured at Botho University because the data that is sent through the various internal systems is maintained in correct formats. However, with the implementation of e-commerce, more electronic forms will be designed and the servlets must be able to cater for the increase.
- From evaluating the organisation’s technological resources against the recommended components of an e-commerce system, Botho University needs to make investments in a few issues in order to be completely ready for an implementation. Resources are available but need to be correctly configured and integrated, of course with modifications especially on the payment processing and security. Technology readiness indicators used to measure Botho University’s readiness indicate that the university is to a greater extent ready to implement an e-commerce system with a few modifications in the specified areas.

**FINDINGS**

The system according to the centre head would consist of a website where adverts would be placed for different courses offered at the university, allow prospective students to apply and once approved, a fees invoice will be printed and they can pay their fees even through the e-payment methods. When fees are cleared, the students would be given personal accounts to access their course materials, communicate with their tutors and fellow students and also access different support services like the exam centre over the internet. The Figure 1 below summarises what the education manager described and can be adopted as the buying and selling process.



The table below summarises the status of Botho University in terms of the technological factors stated by Wokosin (n.d.) and Zakaria and Janom (2011). They identified factors that could be used to assess whether an organisation is ready or not to implement an e-commerce system to support the business processes defined in Figure 1, above.

TABLE 1: READINESS SCORES

Technology availability and accessibility concerning	Botho University Status
1. Reliable internet connectivity and speed	Internet available always .Speed needs to be improved at the satellite centres where it is slow sometimes
2. Online internal information system	An ERP system has been rolled out although some of the functions are still under customization.
3. IT technical support (in house or external)	Technical staff available in house qualified but need training in the area to become experts.
4. Appropriate security systems to protect information and online transactions	Available security not enough, need to enhance it.
5. Internal ICT standard that comply with industry quality standards	An IT policy available as organization is ISO 9001 certified.
6. B2B that equip with main e-commerce capability and contents (e-payment, online communities etc )	E-payments not available, to explore this area.
7. B2B systems which are flexible to changes (e.g. growth of customer's data)	Database servers are high capacity may contend with increased amounts of data.
8. B2B system that emphasise on e-service quality (response time, reliability, easy to access and use, market variability, quality information on products etc)	Area to be further investigated because it is still not fully implemented.
9. E-customer relation management to support before and after sales services	The recently rolled out ERP system includes a CRM function though it is not yet fully functional. The communication channel is mainly through the telephone and emails currently.
10. B2B system which can be monitored by trading partners	Organisational policy emphasizes on confidentiality. May be considered to implement e-commerce system successfully.
11. Large quality selection of online products	The institution is growing given the recently awarded University status. High chances of new courses being offered even through distance learning.
12. Database	Currently, there are various systems that are used for the different business processes and each set of information is stored on a separate partition on the same server running in parallel with the recently acquired ERP system.
13. Interface	There are various applications for different purposes that are already working at Botho University; the links to these applications may be provided on a website. All the employees and students already have access to this site from anywhere and anytime because it is available over the internet.
14. Encryption and security	The information gathered shows that the basic security of authentication using passwords is in place as well as the use of digital certificates, particularly personal certificates. To access the website, employees have a username and password that they use and personal certificates have been generated for each computer be it portable or desktop to allow the access to the systems described earlier on. There is some kind of Virtual Private Network that has been created to ensure that only those devices with the certificate may access the systems.
15. Payment Processing	Currently all fees payments are made manually by students to the accounts department. These are not in place at Botho but have to be considered for the successful implementation of the e-commerce system.
16. Java servlets and cookies	Botho University has this component because the data that is sent through the various internal systems is maintained in correct formats. However, with the implementation of e-commerce, more electronic forms will be designed and the servlets must be able to cater for the increase.

Source: Adapted from Zakaria and Janom: 2011

### RECOMMENDATIONS/SUGGESTIONS

From the study, we recommend that the development of an e-commerce system, even through incorporating the resources that are currently available in the institution with modifications though.

- Database to be properly configured to improve the access speeds or alternatively set up servers at the centres that will be frequently synchronised with the server at the main campus.
- Website is already there but more hyperlinks must be added for the different programs and include links for registration. A further evaluation of the website may be done to establish its suitability as an interface to the e-commerce system.
- Internet is available although access must be secured given that users will be accessing the network from different platforms and technologies. A consideration on improving the access speed will be a valuable move for the success of the e-commerce system.
- The details of all the courses offered must be included on the website with brief descriptions and fees details.
- Payment methods to be explored in consideration of the Bank of Botswana regulations.
- Employees in the technical and Customer relations departments to undergo training that will help them become experts in the area of e-commerce so that they may support the e-commerce system effectively.

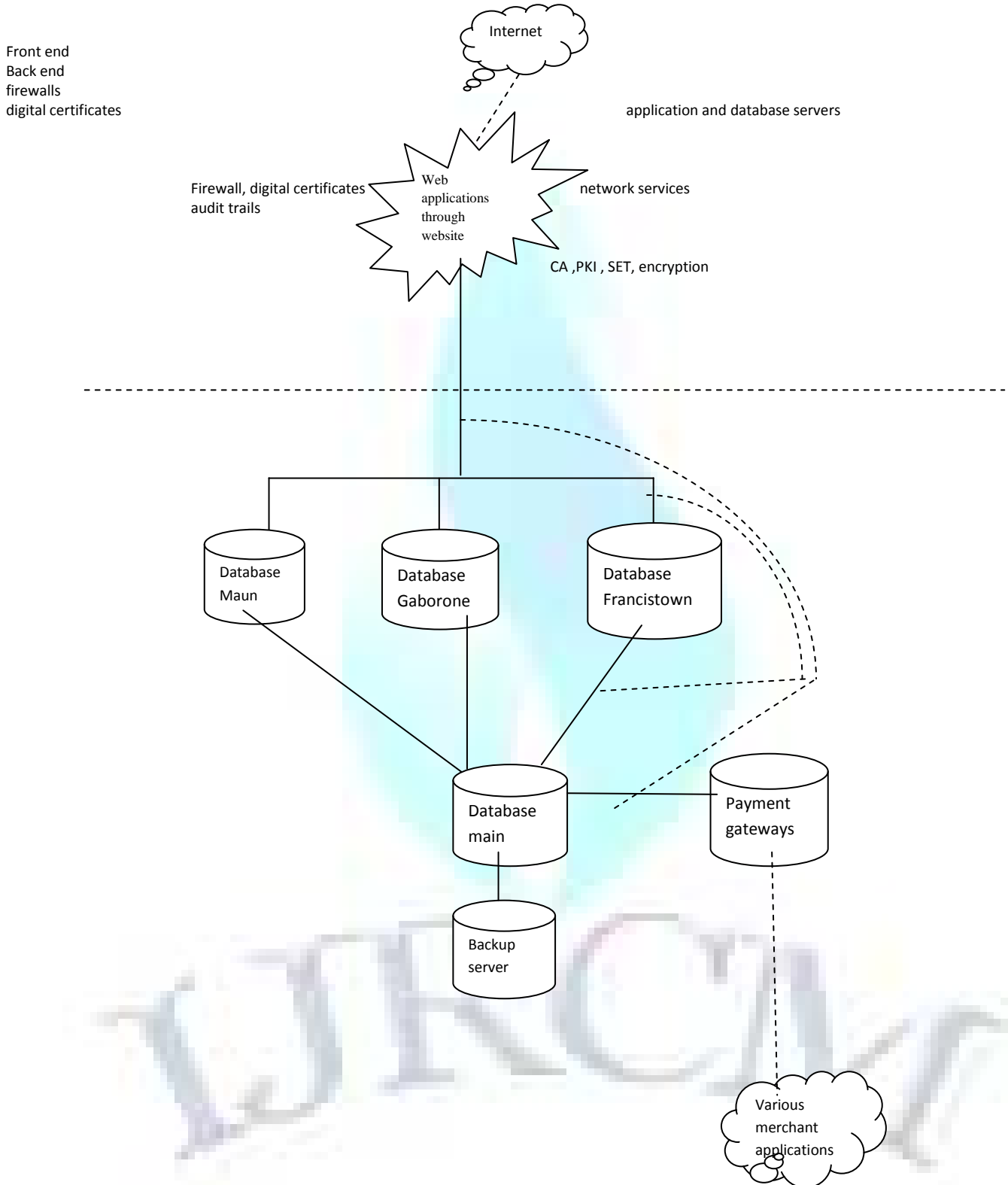
The proposed solution may be centred upon the architecture and security diagram below.

**ARCHITECTURE AND SECURITY DIAGRAM FOR THE PROPOSED E-COMMERCE SYSTEM**

Two-tier architecture, made up of the front- end (presentation logic) and the application servers (business logic) may be implemented at Botho University with the security configurations stated at each tier. The diagram below shows the proposed architecture and security.

Firewall, VPN

**FIGURE 2: CONTENT MANAGEMENT AUTHENTICATION, KERBEROS**



**CONCLUSIONS**

E-commerce an in thing and most businesses are adopting it to incorporate all their business processes. However to benefit from the initiative, the components must be well configured and maintained. Increased marketing opportunities have proved to be the major benefits of implementing e-commerce systems. With the new e-commerce system, Botho University is likely to have more students and introduce new courses and programmes in order to match their competitors. It is important to note that the current infrastructure has already placed Botho ahead of its competitors in the country. However, Botho University needs to make investments in a few issues in order to be completely ready for an implementation. Resources are available but need to be correctly configured and integrated, of course with modifications especially on the payment processing and security. Technology readiness indicators were identified and used to measure Botho University's readiness used the indicators to measure Botho University's readiness with a few modifications.

**SCOPE FOR FURTHER RESEARCH**

In this study, the technological factors that are required for the implementation of an e-commerce system were analysed and measured. Further work may be undertaken to measure how Botho University scores against other factors which are not technological features, such as the resources as well as the ICT Readiness Assessment Model. Although the website is available, its suitability for use as an interface to an e-commerce system is still to be established by considering the components of an e-commerce website.

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## SUSTAINABILITY OF THE WASTE MANAGEMENT PRACTICES IN TOURIST DESTINATIONS OF NAGALAND: A CRITICAL REVIEW

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### ABSTRACT

*Tourism is a multi faceted area with its several activities impacting the ecology, economic, social and cultural dimensions of the destination and its elements. The sudden spur of growth of the industry in the India has led to the need for retrospection and to conjure up effective policies and strategies to ascertain its sustainability and long term expediency. The state of Nagaland blessed with its inherent natural panoramic beauty and rich cultural heritage has become one of the most sought after tourist destinations in this part of the country. With huge potentials of eco-tourism, adventure-tourism, agro-tourism and culture-tourism, the State Government has identified Tourism as one of the 'Priority Sectors' under the State Industrial Policy of Nagaland-2000. However the tourism sector in Nagaland has witnessed a rather stifled and sluggish growth in contrast to the vast prospects present. The lack of comprehensive planning and effective implementation coupled with poor foresight of the long term sustainability aspect has hampered the quality of the industry. Proper waste management being one of the crucial determinants in driving sustainable development has been a grossly overlooked matter in the tourist destinations. The paper aims at projecting critically, the present waste management system followed in the tourist destinations of Nagaland as unsustainable and ecologically detrimental, thus in urgent need of policy intervention. The paper also attempts to expound on the possible solutions for adopting a robust integrated waste management system that is efficient, reliable, applicable and relevant enough to be implemented in the Tourist Destinations of Nagaland.*

### KEYWORDS

Nagaland tourism, Waste Management, Sustainable tourism.

### INTRODUCTION

Tourism has become one of the largest industries in terms of employment and share of global gross domestic product over the years. As stated by the United Nations World Tourism Organisation (UNWTO), Tourism has experienced continued growth and deepening diversification to become one of the largest and fastest growing economic sectors in the world, over the decades. Tourism is a multi-dimensional phenomenon and its several activities in a community or region affects the ecology, economic, social and cultural aspects and therefore, requires precise planning and coordination among the different elements. For an effective sustainable tourism, meticulous planning and adaptation of the principles of sustainability are required to gain maximum long-term economic benefits, stakeholder's satisfaction, while also managing the natural resources and maintaining the beauty of the destination.

Any form of development if intended for long term purpose, should follow the sustainability principles and has to be well planned. Tourism is an industry which impacts many aspects of the destination and its elements; hence in order to lessen the negative consequences, a comprehensive and well rounded plan for tourism development should be in place. Sustainable tourism is tourism development that avoids damage to the environment, economy and culture of the locations where it takes place. As illustrated in Wikipedia, "the aim of sustainable tourism is to ensure that development is a positive experience for the local people, tourism companies, and the tourists themselves" ("Sustainable Tourism," 2008). Sustainable tourism, therefore, is an attempt to improve the impacts of all types of tourism, and this implies seeking ways to build partnerships between tourism companies and local government or managers of resorts and hotels etc. Research has indicated that profits may be increased simply by adopting some general environmental principles, such as recycling waste, planning for long-term sustainability, and seeking local partnerships for resort management. If these actions result in cleaner, less crowded, holiday resorts, then they are in effect sustainable tourism without being labelled so (Forsyth, 2002).

Tourism that focuses on the natural environment with its inherent beauty and surroundings is a large and growing part of the tourism industry world-wide. While Tourism can contribute in a positive manner to socio-economic development and environmental protection, uncontrolled tourism growth can also cause environmental degradation, destruction of fragile ecosystems, and social and cultural conflict, undermining the basis of tourism (United Nations- Division for Sustainable Development, n.d.).

### TOURISM IN NAGALAND

The prospect of Nagaland as a Tourist hot-spot with its inherent panoramic beauty and abundance of flora and fauna is evident. Known as 'The Land of Festivals', the state of Nagaland is noted for its rich cultural and traditional heritage, backed by its natural scenic beauty. The state is blessed with varied topographies and beautiful natural landscapes with pleasant climatic condition throughout the year and possesses a huge potential for eco-tourism, adventure-tourism, rural and village tourism, community based tourism, agro-tourism and culture-tourism etc. In spite of all these favourable factors present, the state has witnessed a rather slow pace of developmental progress in the tourism sector in comparison to the scale of scope for potential growth at hand.

However, there has been a very steady improvement in the tourism development front along with the increase in the number of both domestic and international tourists' inflow into the state over the years. The State Government has also identified Tourism as one of the 'Priority Sectors' under the State Industrial Policy of Nagaland-2000, keeping in mind the huge Tourism potentials and future prospects in the state (Government of Nagaland [GoN], Department of Industries and Commerce, 2000). The annual Hornbill Festival of Nagaland organised by the State Government, showcasing and celebrating the state's multi cultural traditions and rich heritage, has become a huge crowd drawer and has been over the years, attracting an array of tourists from all around the world.

Notwithstanding the efforts of the State Government and the Tourism Department in developing and moulding the present fragile system, there is a serious need to access, establish and build the key elements which are the basis to a sustained and stable future of the state's Tourism Industry. Certain requirements mandatory for the growth and stability of this industry needs to be addressed, for which, strong policies and strategies for Tourism developmental activities in the state should be formulated to confront and solve the fundamental issues pertaining to long term sustainability.

Questions like how far is the state's infrastructure equipped to support and sustain tourism growth in the near future, are the communities and the denizens well prepared and trained to handle the transition, are the socio-cultural as well as the ecological balance sustained and preserved at the same time that it is being celebrated and shared etc, needs to be pondered upon deeply.

## THE SUSTAINABILITY ISSUE

The United Nations World Tourism Organisation (UNWTO) defines sustainable tourism as "Tourism that meets the needs of present tourists and host regions while protecting and enhancing opportunity for the future. The objective of sustainable tourism is to retain the economic and social advantages of tourism development while reducing or mitigating any undesirable impacts on the natural, historic, cultural or social environment." This can be achieved by balancing the needs of tourists with those of the destination, i.e. all the elements involved should not be at lose whether it is the host community, their culture and heritage, the environment or the tourists themselves.

Nagaland lies in the ecologically sensitive region of North-East India and hence conservation and maintaining the ecological balance of the region should be of top priority while practising all the Tourism activities in the state. Insensitive and haphazard developmental activities with poor planning along with improper waste management practices will destroy the sanctity of the natural heritages and leave the environment in jeopardy. Since most of the tourism activities in the state is associated with nature and hence hugely dependent on the environmental health of the destinations, protecting and prolonging the sustainability of the basic resources should be the basis of the state's Tourism division.

Pradhan (2008) noted that "mountainous regions in developing countries face additional challenges in waste management, in terms of their highly fragile environment and difficult terrain." He also stressed that solid waste is the number one threat to the fragile ecology of the mountainous environment. Besides this, seasonal tourist inflow adds significantly to the demands on resource base and contributes considerably to the amount of wastes generated.

According to the findings of the Department of Tourism Market Research division, Trends & Projections of Tourist Arrivals for 20 years at the major Tourist Destinations of Nagaland shows an annual average inflow of 33000-45000 tourists by 2017-2021 (Ministry of Tourism And Culture [GoI], 2003). Hence the requirement for developing adequate infrastructure and a sustainable system to complement the need becomes all the more imperative.

Sustainable practices are intrinsic for the sustained future of tourism in Nagaland; hence a conscious and methodological effort involving all the stakeholders is critical. Waste management is one of the core issues related to tourism activities that need to be addressed immediately in the region, taking into account the present scenario in Nagaland. Adopting a proper integrated waste management system that is well equipped to control the generation of waste at source and combat the increasing amount of waste thus generated, keeping in mind the environmental, social and economic factors of the destinations is intrinsic for the state's tourism industry to thrive and sustain.

## WASTE MANAGEMENT: A MATTER OF CONCERN

The importance of a proper waste management practices in the tourism sector has been stressed time and again due to its direct impact on the environment and general aesthetics of the tourist destinations. Improper tourism management can result in the deterioration of the environmental and cultural resources that attracted tourists in the first place. Therefore, the tourism industry has a vested interest in protecting natural and cultural resources, reducing environmental impacts and preserving the beauty of destinations (Tribe et al. 2000; WTTC, WTO and Earth Council 1996).

Literature review and field verification at several tourist destinations of Nagaland makes it evident that there is no proper waste management practises adopted in the region. Nor has there been any attempt or substantial work carried out in devising and designing a standard waste management system in these destinations. Only a few cases like that of Khonoma Green village and Touphema Heritage Village etc, some effort in maintaining the village aesthetic and surroundings taken up by the communities are observed, to a certain extend. There is an acute need for developing a sustainable waste management system that will be able to counter the amount of wastes produced especially during peak season, and minimize the adverse effects of wastes on the aesthetic and natural ecology of the destinations.

The amount of waste generation in these tourist destinations is increasing in parallel to the increase in the flow of tourists and visitors to the state. The lack of any standard and sustainable waste management system followed in these destinations is a big concern and should not be overlooked or neglected any further.

One of the cases which can be cited is that of Kisama Heritage village at Kohima where the Annual Hornbill Festival of Nagaland is held every year from 1<sup>st</sup> December to 7<sup>th</sup> December. The number of visitors to the festival site alone, comprising the domestic and international tourists along with visitors from across the state total to about 20,000 approximately per day. The amount of waste materials thus generated from all the food stalls and other facilities provided for the guests and the visitors in the vicinity can well be imagined. Added to this is the increase in wastes produced at the places where accommodations and lodging facilities are provided for these visiting tourists. The modest initiatives of the Tourism Department like distributing of waste bins to the stall owners and placing garbage bins around the heritage village is negligible and basic. More initiatives like educating and sensitizing the public and tourists themselves, training the workers, while encouraging the minimum possible generation of waste should be propagated.

## COMMUNITISATION: THE CONCEPT

Along with the recognition of the Tourism Industry as one of the priority sectors of Nagaland, the State Government has also tried to encompass tourism into its 'Communitisation Policy'. The State Government, recognizing the need for community participation as a fundamental requirement to achieve health and sustainable development, initiated measures to harness its rich social capital to vitalize the public institutions by launching this policy with the enactment of Nagaland Communitisation of Public Institutions and Services Act in 2002 (Department of Planning and Coordination [GoN], 2009).

Communitisation is a form of partnership between the Government and the people through which administrative powers and responsibilities are delegated to the community for the management of public institutions, so that the performance of the public utilities can improve for the good of both parties, and become sustainable in a meaningful way. "It also demands ensuring accountability of government employees posted at the service delivery level to local communities and control of government assets by village committees including the responsibility for maintenance, amelioration and augmentation of assets. As such Communitisation is based on the triple 'T' approach. Trust the user community. Train them to discharge their newfound responsibilities and Transfer governmental powers and resources in respect of management" (Equations, 2010). Several villages in Nagaland has been the beneficiaries of this venture and were adopted as Tourist Villages where community participation, with the help of the Village Council (VC) and Village Development Board (VDB) is sought in the overall administration and maintenance of the village and the resources available.

## EFFECTIVE WASTE MANAGEMENT THROUGH COMMUNITY PARTICIPATION: A POSSIBILITY?

By tradition, the Naga society has rich social bonding and strong community spirit and hence the initiative of Communitisation was taken up. Village community bonds and cooperation are maintained through traditional institutions which are organised, effective and participatory. "The Nagaland experience of Communitisation is the first in the world. Thus, with the introduction of Village Councils, the Village Development Boards, and Communitisation of essential services in the areas of health, education, power, rural tourism, rural water supply, etc., the Government is gradually reserving for itself the role of facilitator and enabler. With this, the 'trickling down' concept of development has been effectively abandoned and it is hoped that there would be a 'bubbling up' of development from the grassroots, that is equitable and suitable to the unique context of Nagaland" (Department of Planning and Coordination [GoN], 2004).

A unique case where waste control through community participation has been put into practice is that of Khonoma Village which has a "Khonoma Green Village Project" (KGVP) under its wings with the support of the Union Ministry of Tourism and Culture, and the Nagaland State Department of Tourism. This project is driven under the aegis of the Khonoma Village Council and Khonoma Tourism Development Board (KTDB). Proper waste management is given due consideration along with the other activities taken up by the community for tourism development in their village. The Village Youth department organises social works on

holidays to clean and clear the village and the surrounding areas. Also, waste bins made from bamboo is seen all around the village and strict monitoring and instructions are given not to litter around the village premises.

In spite of all these, there is no standard form of a waste management system that operates in the village through which the waste management function is carried out in a sustainable and methodical manner. The collected waste is mostly collected and dumped in the nearby forest area or is burned at a facility provided just beyond the village. Segregation of waste or reduction at source etc which are the fundamentals of a proper waste management system is overlooked, mostly because of the lack of expert knowledge and ignorance of the people about the hazards of improper waste handling. Hence the modest initiatives taken up by the community in handling the waste situation in the village is rather trivial and unsustainable in the light of long term sustainability of the village's ecology and surroundings.

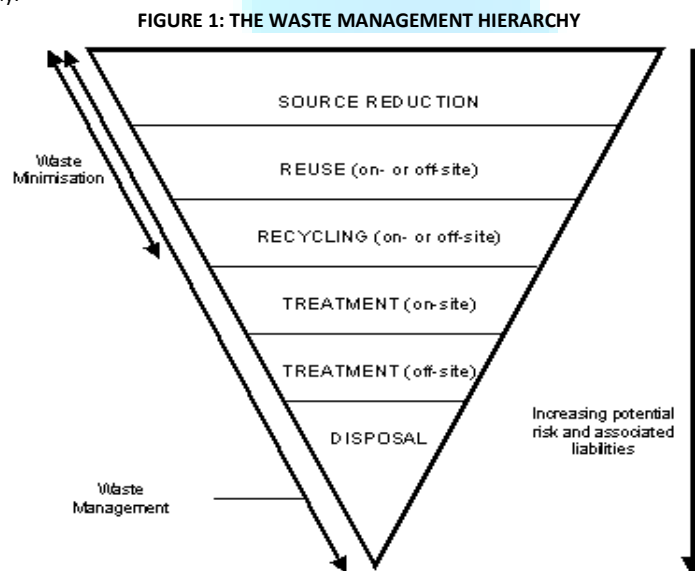
However, Communitisation programmes do come with their own share of hitches and setbacks if not implemented and managed efficiently. Community led waste management initiatives can be a good alternative especially in the tourist Villages of Nagaland but should be backed by adequate skill and knowledge training, awareness and by providing appropriate infrastructure facilities to the community along with proper planning and monitoring. Creating a sense of awareness and ownership of the natural resources encourages the communities to adopt sustainable ways to utilize the limited available resources. All these are possible only if the local authorities as well as the state authorities are proactive and are willing to support, provide and channelize whatever is essential. Hence an integrated approach to effective waste management which involves and calls for the active participation of all the stakeholders in the tourism industry is vital.

### INTEGRATED WASTE MANAGEMENT SYSTEM: THE WAY FORWARD

Integrated Waste Management is a comprehensive sustainable waste management approach which integrates the waste management hierarchy approach to reduce, reuse, recycle and recover and for safe disposal of waste through the most appropriate and efficient means available. It also encompasses the involvement of all the stakeholders along with adopting appropriate technology and practices for efficient minimization of waste. The implementation of an efficient integrated waste management system should be interlaced with proper research on the destination, strategic planning and involvement of all stakeholders; the local community, the Tourism authorities, the tourism service providers and the tourists themselves.

According to the Environmental Protection Agency [EPA] (n.d.), Integrated Waste management involves evaluating local needs and conditions, and then selecting and combining the most appropriate waste management activities for those conditions. Tang (2004) explained that an integrated approach to Solid Waste Management (SWM) involves the diverse set of interconnected activities and issues related to SWM instead of just the simple transfer of waste to disposal sites.

For adopting an effective and efficient system of waste reduction and management in tourist destinations, a systematic approach consisting of the 4R/D steps can be employed as a guideline- Reduce, Reuse, Recycle, Recover and Dispose. In other words, the proper hierarchy for effective waste management focuses on reduction of waste at source rather than finding ways to dispose waste after it has been generated. Systematic methods along with the incorporation of appropriate technology for proper waste management should be incorporated so that non-hazardous wastes materials are put to the optimum use while hazardous wastes are disposed off safely.



(Source: [www.cambodian-cpc.org/kh/Whatispc.html](http://www.cambodian-cpc.org/kh/Whatispc.html))

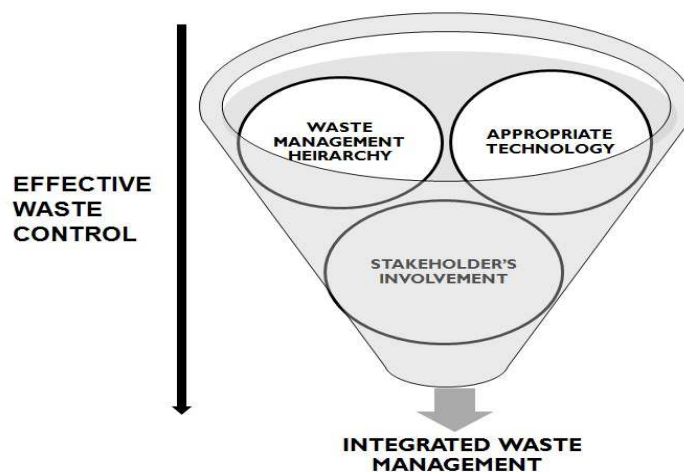
Furthermore, the involvement of all the stakeholders in an integrated waste management system gives more dimensions and makes the waste management task more meaningful and efficient since everyone involved is aware of the role they play. The benefits of an integrated approach to waste management include: lower costs, better cost management and cost recovery, fewer health hazards, less environmental pollution, conservation of natural resources, better coordination and performance, greater impact at the local level, improved public participation, better image, and more income from tourism (Tang, 2004; van de Klundert and Anschutz, 2001).

The participation of all the stakeholders concerned is an integral part of an integrated waste management programme. The State Government should be sensitive enough to comprehend the importance of curbing and handling waste and should initiate and formulate stringent strategies and policies at the state level in order to deal with this grave issue. The support of the Tourism department is crucial as appropriate technology, expertise knowledge and input, infrastructure and funding etc has to be channelized through them.

Winning the support and cooperation of the local communities, service providers and the tourists should be given priority. This can be achieved only if they can realise the magnitude of the problem and understand the adverse effects of improper waste management in the long run. Hence awareness campaigns and sensitisation of the issue should be propagated while showing the right approach through which the problem can be mitigated. Trainings and capacity building of the stakeholders at all spheres should be undertaken in order to equip them with the essential skills, techniques and knowledge for self sufficiency, problem solving and decision making etc.



FIGURE 2: AN INTEGRATED WASTE MANAGEMENT (IWM) MODEL



(Source: author's)

### AN INTEGRATED WASTE MANAGEMENT MODEL

The European Recovery and recycling Association (ERRA) defined Integrated Waste Management (IWM) as an approach to design, continuously improve and monitor the solid waste management system for a community, or region. IWM can be used by waste management designers and operators to ensure that waste management systems are environmentally effective, economically affordable and socially acceptable for a particular region and circumstances. IWM includes a range of different waste management techniques and processes used to achieve a sustainable and effective waste management policy.

Taking into account all the fundamental principles of an Integrated Waste Management system, an IWM model is proposed where three main elements namely (i) The Waste Management Hierarchy, (ii) Use of Appropriate Technology and (iii) Stakeholder's Involvement, complement and co-exist in a mutually beneficial setting. The roles inter-played by each of these components will result in the effective control and minimization of waste and for optimum efficiency and sustainability, their performance and functions should be constantly monitored and upgraded according to the changing need.

#### (I) THE WASTE MANAGEMENT HIERARCHY

One of the waste management concepts that is been widely used to minimize and regulate waste is the Waste Management Hierarchy, which is represented by a chain of priorities that can be adopted while carrying out the waste management practices. This principle gives emphasis on avoidance of waste generation at source so as to significantly reduce the amount of waste handling at the later stages till the final disposal. Avoiding waste at source includes taking conscious and meticulous efforts to practise activities and utilize products that would result in minimum creation of waste. Reduction of waste can be achieved through taking steps like purchasing products in bulk to reduce the packaging waste, buying refillable items etc. Products that can be re-used for another purpose should be done so, for example reusing empty glass jars, card boxes etc. Recycling makes and creates used materials into new useful products, therefore saving cost and energy on extracting raw materials. Recovery of waste implies that waste material that would otherwise be disposed off is put to a beneficial use, which saves the use of other materials. Waste disposal is the final and least preferred option which most often means landfill, and the purpose is to get rid of waste in a safe and environmentally sound manner.

The successful implementation of the waste hierarchy requires the participation of all the stakeholders in the tourism sector. For this, mass awareness of all the stakeholders from the waste management perspective is a mandate.

#### (II) APPROPRIATE TECHNOLOGY

Finding appropriate waste management techniques that is feasible and applicable in the local and regional context is important, taking into consideration the climatic and environmental conditions, existing waste management practices, resources and budget availability. This involves the whole process of choosing the appropriate methods for waste collection and segregation, recovering of waste materials, safe and proper disposal of wastes etc.

Joseph (2006) defined integrated solid waste management (ISWM) as the combination of different techniques to combat the SWM problem, which requires consideration of the technical, environmental, managerial, legal, economic and financial aspects. He pointed out that "Mere availability of technology/tools is no guarantee that waste management would be undertaken in a proper manner. There is an urgent need to give priority to environmental protection, to educate and empower the local communities to monitor their own environment and to manage their wastes to the levels desirable to them."

#### (III) STAKEHOLDER'S INVOLVEMENT

For the successful implementation of a waste management system in a tourist destination, the participation and involvement of the local community, local and state authorities, the tourism department along with the facility providers, as well as the tourists themselves, is imperative. Stakeholders should be sensitized and educated through environmental awareness campaigns, training programmes etc. Making them willing to contribute and participate is crucial in bringing about a successful integrated waste management program.

Wilson and Tomrin's study (as cited in Joseph, 2006) stressed on the contribution of the stakeholders to the waste management plan. "It is not an easy task to plan and implement an action plan to achieve these objectives without active participation of various stakeholders. Efforts should be made at all levels to minimise generation of wastes and manage the generated wastes in an environmentally sound manner."

### CONCLUSION

There is an urgent need to recognize and identify that a proper waste management system is a prerequisite for maintaining the sanctity of a tourism destination and furthermore, sustaining the tourism industry of the state itself. Tourism activities spans across various sectors and its affects are felt throughout different levels of the society and its paradigms; hence there is a need to build strong synergy, collaboration and coordination among the different elements- public and private players, the indigenous people, tourists and the various departments of the state government etc so as to work towards a sustained and meaningful future of the state's Tourism Industry.

Maintaining an efficient waste management system not only improves the health of the tourist destination but also gives a healthier surrounding and cleaner environment for the community, improves and maintains the natural beauty and aesthetics of the destination and thereby increases the overall satisfaction and experience of the tourists to a great extent. This also ensures increasing the lifetime of the tourist destination and hence makes the tourism industry more sustainable in the long run.

While carrying out any activity for facilitating and promoting tourism, the sanctity of the environment which supports the whole system should not be disturbed or displaced. Waste Management being one of the basis for sustainable tourism practices, has to be given due importance and an efficient integrated system for waste management is the need of the hour in an ecologically sensitive area like Nagaland, with its brisk and newly developing tourism industry.

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**DETERMINANTS OF INTERNAL BRANDING FOR CUSTOMER-ORIENTATION**

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**ABSTRACT**

*In the world of changing market dynamics, there is a significant need to study the strategies that can build and sustain an organization. Brand of an organization is no more a differentiating tool but a powerful tool to connect the organization with customers. Customer-orientation is a new set of marketing activities that connects the organization and the customers. Internal branding is the set of organizational activities that build and promote the brand values and organizational values among employees who are the internal stakeholders and who deliver the brand promise to customers. Employees are the human face of an organization that connects it to customers. To be customer-oriented hence demands internal branding activities. The purpose of this study is to identify the major internal branding activities that help the firm to build and implement customer oriented strategies. The conceptual model depicted in this study recognizes the factors that determine the role of internal branding in building a customer-oriented firm. These determinants are identified from the previous works on this area and from companies and brands where the onus of their success is due to internal branding practices. Considerable amount of literature in the field of internal branding and customer-orientation has revealed the research gap that customer-orientation influenced by internal branding determinants has not been studied. Hence this study brings out certain findings that can help the marketing practitioners to underpin the contribution of internal branding practices in order to focus on customer-orientation and towards transforming an organization to be customer-centric.*

**KEYWORDS**

Brand management, customer-orientation, internal branding.

**INTRODUCTION**

In today's dynamic and highly competitive business environment, organizations continuously struggle to expand their market opportunities. From its traditional goods-centered perspective marketing is still in its early stages of transition to service-centered perspective. This paradigm shift requires most firms to pursue a strategy of value addition that integrate products with services offering a complete bundle of benefits (Vargo and Lusch, 2004). Today brand is no more just a tool for identification and differentiation rather a promise of value addition that connects customers to the firm. A promise to meet customer expectations enable the organization to position its product or service. The articulated promise gets its true meaning only when the consumer experience the perceived value being delivered in the same way the company has promised. Therefore a brand represents the promise of an organization to its customers. From being a marketing tool in the previous century, brand has undergone a progressive evolution to a position where the firm's vision and strategies became instruments of the brand (Berthon et al, 1999). This decade fostered a major shift of power to the consumer which integrates both creators' intention and consumers' expectation wherein brand shifted to be an interpretation of consumer experience. This shift in the marketing philosophy of brand building efforts entails customer-orientation for sustainable competitive advantage of a company (Donavan, Brown and John, 2004). It is not companies who build the brand rather brands are build by customers. Brand is no more a tool for differentiation rather an utmost strategically significant concept of an organization in framing the vision, mission, and core values and for delivering the tangible and intangible attributes of an organization's promise. Hence the branding process has evolved as a predominant marketing function in today's competitive environment since this concept is more focused on customer experience. To develop marketing capabilities for a customer-focused firm has been a significant research topic of Marketing Science Institute for the year 2010-2012 for two major reasons (msi.org). The collaborative efforts of firms and customers to create value can be a major reason in identifying customer as an important source of competence. Second, a firm's marketing capabilities can use effective strategies for a firm's transition from a brand or product orientation to a customer-focused organization.

To be customer-oriented means focusing on value addition of both tangible and intangible attributes for the benefit of customers. Many studies have emphasized the significance of the tangible attributes of a brand on customer satisfaction. Since marketing practitioners recognized that tangible attributes alone and its derivatives are eventually of less help to provide a competitive edge for the firm, the insight behind intangible attributes and inimitable strategies to win the business has been gaining attention. This realization signifies the interactive and interconnecting customer engagements as a major customer retention method. The need to share a common goal of customer satisfaction also identified the need to share a common meaning on the firm's value proposition. While Keller and Lehmann (2006) reviewed brand relationships, brand experience and the influence of corporate image and reputation no attention has been paid to the role of brand from a service centric perspective of the employees who translate the brand promise to customers. This implies that all the employees are the service-providers and thus service ought to be the core function of value creation through customer service (Vargo and Lusch, 2004). However the patterns of customer engagements in the value creation process has raised the awareness of the crucial role that employees play in the value creation process of the brand that culminates in an inimitable competitive edge to the firm. Driven by the research findings from the Forum for People Performance Management and Measurement, and recent articles in the *Harvard Business Review*, firms are finding the significant role of employees in building their brands.

**REVIEW OF LITERATURE**

The first category of literature review intends to create a foundation for the study by imploring the conceptual meaning of brand and brand management. Studies of David Aaker (1991) explain brand equity as a primary source of competitive advantage and future earnings. Keller (1999, 2008) focused his works on the strategic brand management with the customer based brand equity and highlights the development and maintenance of competitive brand identity. In its traditional definition a brand is understood as a name, symbol, design or any other feature designed to distinguish the goods or service of one producer from that of another (American Marketing Association, 1995). The second category of review includes cases of certain companies who practice internal branding, citing the role of internal stakeholders who are none other than their employees in building and sustaining competitive advantage using internal branding measures. The third part of the review pertains to the studies focused on customer-orientation and how internal branding initiatives contribute to frame customer-oriented strategies.

**LITERATURE REVIEW ON INTERNAL BRANDING**

Internal branding comprises of all activities of a company to ensure the intellectual and emotional commitment to the brand (Thomson et al 1999, Thomson and Hecker 2000). Internal branding encourages living the brand, speaking with one voice (Ind N.2001, 2003; Ind.N and C. Watt 2005), and two way communication process which is more of an iterative process (Totsi and Stotz,2001). Mahnert and Torres (2007) places the three core principles of internal branding constructs though he finds it lacking focus and definition: (i) committed employees reflect and deliver desired brand values, (ii) effective communication results in brand promise realized internally and externally, (iii) internal branding needs to permeate to all level of organization to align the behavior and attitude of management and staff. The organizational activities that ensure intellectual and emotional commitment to the brand are one of the earlier definitions of internal branding.

While the institutionalized feedback loops that identifies and remove inhibitors of the process is internal branding (Vallester and de Chernatony, 2006) creating powerful brands and competitive advantage through people in the organization is also recognized as internal branding (Punjaisri and Wilson, 2007). Branding is described as an organization's ability to align its every action and message with its core values and to keep the organization's promise to its customers and the sum total of all customer experiences (King and Grace, 2009). Scandinavian brand strategist Nicholas Ind (2004) defines internal branding in terms of story telling as the way of building brand communities for sharing and preserving their heritage and building their culture. The evolving paradigm in marketing philosophy describes branding process as delivery of a promise facilitated through internal customers who are the employees (Punjaisri and Wilson, 2007). Being at the interface of the internal and the external world of the brand, employees at the point of contact with customers exert a certain degree of influence on customers' perceptions about the brand and the organization (Balmer and Wilkinson, 1991). To attain and maintain the desired corporate image and corporate reputation, employees who are responsible for fulfilling the brand promise are required to deliver the service in a consistent manner (de Chernatony and Segal-Horn, 2003). Successful internal branding ensures commitment and loyalty of employees to the brand that enables them to transform espoused brand promises into brand reality for customers and other stakeholders (Meyer *et al.*, 2002; Pappasolomou and Vrontis, 2006). The research results of a valid conceptualization process of employee branding process defines it to be a process by which organizations can ensure the desired brand image in the light of organizational values is reflected to their customers through their employees (Miles and Mangold, 2004). Another study by the same authors showed empirical evidence of how employees' knowledge of the desired brand image has a significant contribution to the employee brand (Miles and Mangold, 2011).

#### LITERATURE REVIEW ON CUSTOMER ORIENTATION

From the previous studies on customer-orientation, it is the set of beliefs that put the customers' interest first while not excluding other stake-holders' interests to attain a long-term profitable enterprise. Organizations should focus on the interaction with customers and then look inward to explore how that customer knowledge can be used to build organization-wide responses. Jaworski and Kohli (1996) referred this as market orientation while Narver and Slater (1990) identified customer-orientation, competitor-orientation and inter-functional coordination as the three elements constituting market-orientation. Empirical researches for measuring customer orientation of a variety of types of salespeople studied customer-orientation in terms of the satisfaction of customer needs at the level of the employee-customer interaction. Several studies found employees who exhibit a high degree of customer orientation engage in behaviors that increase the satisfaction of their customers. In addition, customer-oriented behaviors lead to the development of long-term relationships that are mutually beneficial to both the parties (Kohli and Jaworski, 1996).

Although limited research has investigated customer-orientation and its antecedents, some research focusing on the inter-functional coordination of work processes and inducing cultural transformation has been done (Kohli and Jaworski, 1990; Narver and Slater, 1990). Both marketing and management researchers are centered on the three pillars of customer orientation theory: senior leadership, inter functional coordination and market intelligence. The catalytic role of senior leaders in the transformation to a customer-orientation has been explored (Jaworski and Kohli, 1993) and its implementation has also been empirically reinforced (Kennedy *et al.*, 2003). Using customer orientation as an indicator of performance, relationship between organizational socialization outcomes and performance has been studied (Kelley, 1999). His conceptual framework suggests that customer orientation is affected by the organizational climate, motivational effort and organizational commitment of service employees. In short, the set of activities that focuses on acquiring and retaining customer-oriented employees' gains strategic significance of a firm's decision-making. The vision and mission statements that envisage the brand promise should be understood and shared by the workforce in a consistent manner (de Chernatony & Seigal Horn, 2003).

The true meaning of vision and value statements of a firm is epitomized to customers only when the employees transcend it in alignment with the firm's strategies on customer orientation. This approach is possible to be experienced and reflected by customers through the internalized expressions of the brands' employees. Procter & Gamble CEO Richard Deupree expressed this idea eloquently: "If you leave us our money, our buildings and our brands, but take away our people, our company will fail. But if you take away our money, our buildings and our brands, but leave us all our people, we can rebuild the whole thing in a decade." (Cited in Macrae, *Journal of Marketing*, 2003)

#### INTERNAL BRANDING PRACTICES OF SUCCESSFUL COMPANIES AND BRANDS

1. **NIKE:** - Nike's 'Just Tell It' Campaign deems the best way to create a prosperous future is to make sure all of its employees understand the company's past. That's why many veteran executives at Nike spend time telling corporate campfire stories. When Nike's leaders tell the story of how the cofounder and CEO Phil Knight's coach Bill Bowerman after deciding that his team needed better running shoes, went out to his workshop and poured rubber into the family waffle iron, they're not just talking about how Nike's famous "waffle sole" was born. In the late 1970s when this innovative program started, it was an hour-long lesson given to new employees wherein they hear such tales; they understand Nike's commitment to helping athletes through this corporate-storytelling program. Now this orientation lasts two days, and the story of Nike's heritage is the first item on the agenda. Each "Ekin" ("Nike" reverse-spelled, are tech reps known for their Swoosh ankle tattoos) undergoes a nine-day Rookie Camp at Nike headquarters in Beaverton, Oregon. "We're connecting what we're doing today back to Nike's heritage," says Dennis Reeder, Ekin training manager. It envisions a day when the orientation process will last a week and take place at "Nike University."

2. **UPS:** - The vans and uniforms of UPS, which are deliberately styled after the military to express discipline and punctuality is another example of employees on the consumer touch point enlivening the brand's value. Southwest Airlines follows a rigorous assessment of a candidate's personalities during interviews, from pilots to mechanics, on a scale of one to five on seven traits corresponding to the brand's core values (Mitchell, C, 2001).

3. **HCL:** - The organizational transformation HCL Technologies Ltd details the imperative role of employees in building and sustaining a company's success. The CEO Vineet Nayar in his book "Employees First Customers Second" (2010) describes the concept EFCS as a constantly evolving "thinking journey" with new ideas and initiatives taking shape along the way. He elaborates how HCL embodied the true meaning of this with absolute and complete employee participation. In the discussion he explains the employees' role in turning the organization pyramid upside down which is an eye-opener to the identity crisis of employee branding in Indian corporate houses.

4. **SAAB MOTORS:** - In early 1990s while in search of an effective turnaround strategy did an assessment of the brand's strength and weaknesses to find that the brand was not well understood inside the organization (nor outside too). The Brand Consultancy group, TBC who suggested repositioning the brand essence under 'unconventional' adopted dynamic unconventional training methods like a videotape called 'Pillars of the Brand' and the SAAB Way Training which was encouraging voluntary participation of every employee from the one who answers the telephone to the one involved in designing and distributing it (Bergstrom, A, Blumenthal, D and Crothers, S, 2002).

5. **VOLKSWAGEN:** - The success of the Volkswagen Group (UK) retailer channel is being monitored closely by Volkswagen Germany using Connect vision internally for some time to manage and distribute content for its 'News Forum' service to over 400 employees working in Volkswagen Passenger Cars, Volkswagen Commercial Vehicles, Seat and Skoda at its Blakelands headquarters in Milton Keynes. The ease with which the internal communications team in each business is able to draw on a wide variety of imagery and multimedia formats means that retailers are able to customize part of the screen for news announcements and special offers. The branded Service Screen content being managed from Volkswagen head office in Milton Keynes, its layout is split into three areas to show car video images, Volkswagen news and special promotional offers as text at the bottom of the screen. Using Connect vision software to add, schedule and distribute content to all screens in the network and to reduce IT security and network capacity issues at each Retailer, the LCD screens are supplied with a dedicated PC providing the initial on screen content which is updated on-line by Volkswagen's marketing team.

6. **VOLVO:** - The idea behind Volvo's hybrid car, Cross Country has been developed out of the creative tension in its contradicting core values safety and excitement itself. To express the true meaning of these values in their brand pyramid, the new design was driven out of customer-focused needs identified by the employees. It was meant to expand Volvo's appeal more emotionally engaging rather than functionally. To identify the key success factors the law internally was to gain inspiration from the concept development team development team who focus on customer perceptions and lifestyles.

7. In his book 'Living the Brand' Nicholas Ind describes the success of Quicksilver and Patagonia through the internal branding techniques of customer and employee engaging strategies. The intuitive and courageous innovation of the sportswear brand Quicksilver is the result of close connection of its long tenure employees with the sports they serve. This implies the freedom of co-creativity through listening, sharing knowledge and experimentation. In the practitioners'

arena a few companies who implement internal branding like Mayo Clinic and Millers Breweries extrapolate the strategic significance of internal branding which has been less studied by theorists.

**NEED OF THE STUDY**

Branding in itself is a vast concept and its literature has been mostly focused on the external communication of the brand (de Chernatony 2001, 2003). Substantial research on branding suggests that delivery of the promise of a brand is facilitated through the employees who espouse the meaning of brand message and thereby transmit highly reliable brand values to the customers (Punjaisri and Wilson, 2007). Most of the work in the academic domain of internal branding has been confined to service oriented or B2B industries. Hence, many a time it is conceived to be less prevalent in the product based or B2C business. Moreover, who owns the planning and implementing of effective internal branding is the practitioners’ dilemma. Due to its overlapping existence, a lack of common philosophy for internal branding within and between disciplines of marketing and human resource management seems to hinder its acknowledgement. Timothy, Linda and Terrence (2005) examine the successful promotion of the internal branding doctrine may be as dependent on HR initiatives as on those developed in the marketing department. In spite of well-documented internal branding initiatives, there appears to be room for improvement among HR departments in terms of successfully delivering the corporate branding message. HR professionals who are in charge of internal communications typically lacks the marketing skills needed to apply many of the principles of consumer advertising to internal communications that enable employees to “live” the vision of the brand in their day-to-day activities. Before the brand’s promise is sold to its customers, companies need to sell it to their employees on what need to be done for effectively transmitting the brand values with customer orientation and why it should be done. Hence the employee engagements in designing the internal branding strategies become inevitable. How to achieve such competitive advantage is studied with respect to internal communication guided by managers who walk the talk that can get easily emulated as the brand’s values by each employee. In his book “Employees First Customers Second”, Vineet Nayar, the CEO of HCL has written how his company focused on its value creators- the frontline employees to achieve remarkable growth. His famous EFCS could help the customer see the organizational values when committed employees uphold it even before the senior leaders have seen it. In the process of transforming an organization to customer-orientation the relevance of internal branding measures gains higher significance since employees are the catalysts of the process. Though many companies say ‘customers come first’, the disclaimer in it is ‘after employees’.

**STATEMENT OF THE PROBLEM**

The study makes an attempt to investigate the factors that precede the internal branding initiatives and pave the way to frame customer-oriented strategies of an organization. In its effort to envisage a conceptual model of internal branding, this study also looks at how the internal branding practices have helped a few organizations to be successful in their formulation and implementation of customer oriented strategies.

**OBJECTIVES OF THE STUDY**

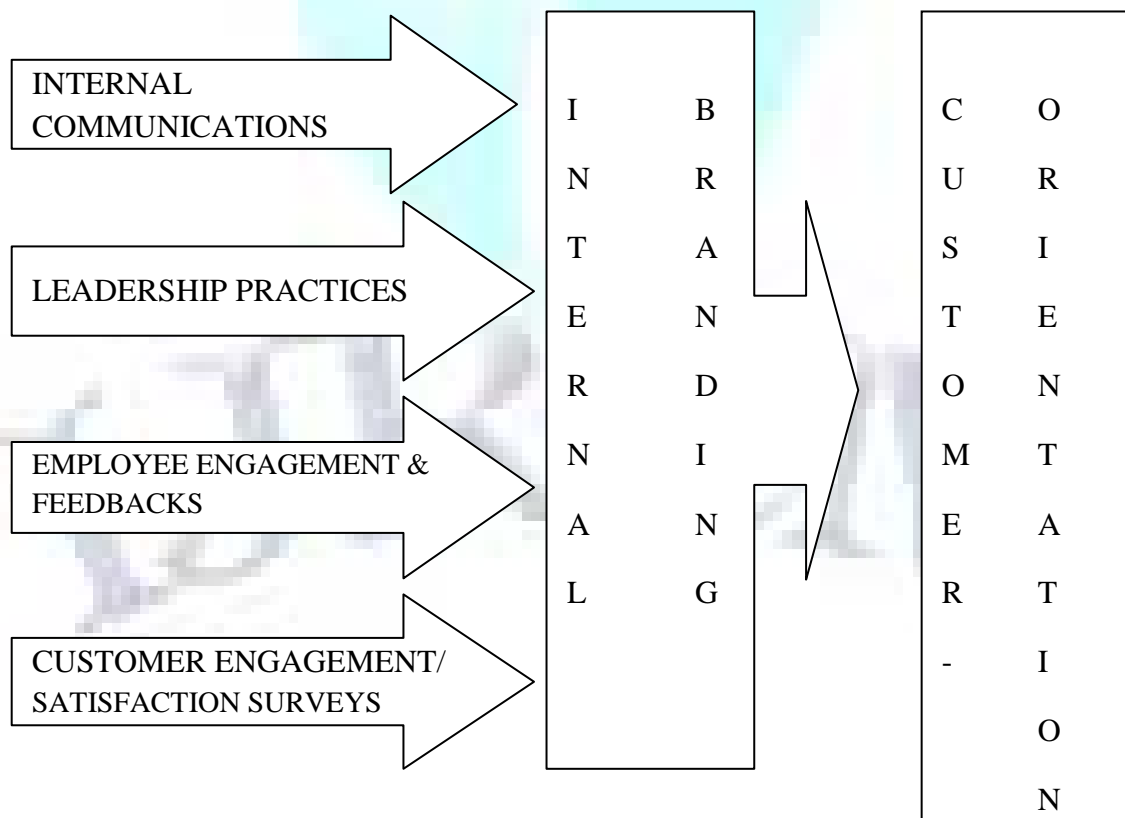
The major purpose of this study is to explore the role of internal branding in the making of customer-oriented firms. The specific objectives are as follows.

1. To explore the internal branding practices adopted towards customer-orientation of a firm
2. To identify the various internal branding factors affecting the customer-orientation
3. To elicit the antecedent factors of internal branding that drives customer- orientation

**RESEARCH METHODOLOGY**

The relevant articles on internal branding has been conceptualized to build a theoretical model in order to address the factors determining internal branding that eventually leads to customer orientation. This study also covers the case of five brands and a few companies for whom the onus of success lies in internal branding.

**FIGURE 1: MODEL OF DETERMINANTS OF INTERNAL BRANDING**



**FINDINGS OF THE STUDY**

The formal and informal message systems of internal and external communication align the desired brand image with the organizational values (Kelley, 1999). The organizational commitment of employees is related to their customer-orientation. Based on the research gaps identified in the literature review of internal



branding and customer orientation a conceptual framework has been derived at. Those factors that are considered necessary for employees to successfully deliver their organization's brand promise are categorized as the determinants of internal branding. Since customer-orientation is initiated by senior managers and implemented by employees of all levels this model attempts to explore the effect of the factors that determine internal branding on the customer-orientation. As suggested in the literature, internal branding gets implemented by means of formal and informal meetings, trainings etc. Senior Managers being the change agents are primarily responsible for customer-orientation (Kohli and Jaworski, 1990). The treatment employees receive from their manager get precisely reflected to customers by the behavior observed in front-line employees. Therefore a high correlation between employee and customer responses to the brand image has been reinforced (Tosti and Stotz, 2001). Hence the top-level leaders approach reflects upon the customer-oriented initiatives by means of the right alignment of external branding with internal branding is a major determinant of internal branding. Using employee response to build a sense of ownership and belongingness has helped HCL Technologies. The case of Nike is an example of how internal communication such as training can be used as an effective tool to internalize the brand's mission using informal story telling style. The non- preaching style of training and similar forms of information dissemination encourages employees to espouse the brand values and thereby deliver the brand promise with honor. Such an exercise activates the alignment of the external brand with the internal brand because the employee who enlivens the brand promise delivers the expectation the company has offered (Ind, 2003). An engaged customer is generated only by an engaged employee. A customer-centric decision that helps in revenue generation is the outcome of a rippling effect initiated through the employee engagements enforced through appropriate internal communication tools. On the basis of the cases that are mentioned in the literature it is obvious that organizations adopting internal branding determinants culminate in customer- oriented approach in their strategy formulation.

## RECOMMENDATIONS

Traditionally organizations spend heavily on external branding. Brands are indisputably a major asset of an organization. Since brand is defined as an organization's promise, those who carry out and deliver that promise are the first and the most important audience; they give life to customer experience (Papasolomou & Vrontis, 2009). It is the employees who ultimately foster customer experience. Hence a major focus is essential on framing internal branding determinants that can help the firm to facilitate the implementation of customer-oriented strategies. But most of the investment is focused on external branding by not paying attention to align it with internal branding efforts. When there is a lack of alignment of organizational values with employees' values, customers can easily sense how sincere the employees are to the brand promise. Such challenges can intimidate the implementation of customer-oriented strategies. Thus the success of customer-centric approach is highly related to the internal branding efforts that strengthen the organizational workforce. Using the right mix of formal and informal internal communication forms, emulative leadership practices of senior managers, employee engaging activities that connect them primarily to the company and then to its customers, appropriate rewards and recognitions based on performance reviews encompassing brand behaviors, 360 degree feedback and customer surveys and feedbacks are the suggested internal branding techniques that strengthen the customer-orientation process. However a quick and direct result out of internal branding determinants is difficult to be measured.

Marketers must work very closely with HR, leadership and skilled strategist to build integrated internal branding programs that leverage customer-orientation. As the framework identifies internal branding implies the strategic significance of branding in the cross-functional coordination. Hence the CEO is the ultimate CMO to facilitate adequate internal branding measures for the appropriate implementation of customer-oriented strategies. As anticipated by Tosti and Stotz (2001) branding may be the most practical answer to competition since it is powerful enough to recognize the external promise to customers and to align the internal stakeholders to the organization. The recognition of internal branding in turn is leading to the creation of new budgets and efforts devoted to align employee behaviors with consumer needs. The responsibility lies with human resources in some firms; whereas it is part of corporate communications in others which might report to marketing. This major shift towards internal audiences will surely attract a wide variety of performance improvement consultants and branding companies that want to play at the strategic level, in turn creating lots of opportunities to engage, enable, and empower people. To maximize the return on investment on its brand promise, some of that investment of a firm must go into creating an internal manifestation of the brand promise.

## LIMITATION & CONCLUSION

This study is conceptual in nature and hence there is a lack of primary data collection for empirically analyzing the model. Since most of the literature shows in-depth interviews and focus group study it is observed that qualitative research is prevailing in this domain.

## SCOPE FOR FUTURE RESEARCH

The effective ways to deploy the resources and manage employees to sustain their focus on customers when they are operating in competitive and rapidly changing environments need to be researched so as to improve the firms' competency for customer-orientation, especially for delighted consumer experiences. The scope of further research lies in the measurement of the impact of internal branding techniques on the organization's customer-centric measures. Though balanced score card, employee surveys and 360degree feedback programs are the prevailing measuring tools none of these are specific to measure the effectiveness of internal branding initiatives (Mac Laverty et al., 2007). Unless a specific measuring tool is adopted, the unsung heroism of internal branding may persist to exist. Further studies can explore internal branding factors that are highly specific to implement customer-oriented approach in an organization. To replace the expensive media advertisements, customer-orientation can be easily attained from internal branding factors. The conceptual model designed in this study can be further adopted for empirical studies in internal branding.

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**A CONCEPTUAL STUDY ON RETAIL BANKING****BHARAT N BASRANI****ASST. PROFESSOR****R. V. PATEL & V .L. SHAH COLLEGE OF COMMERCE****AMROLI****CHANDRESH B. MEHTA****ASST. PROFESSOR****SHREE J. D. GABANI COMMERCE COLLEGE & SHREE S. A. S. COLLEGE OF MANAGEMENT****SURAT****ABSTRACT**

*In today's world where innovative financial services are being offered, the issue of retail banking is highly crucial and with a lot of potential growth. Hence, it generates interest for bankers and curiosity for researchers. Retail banking is the chain of products and services offered to individual customers and to those associated with business. The banking industry is highly competitive, with banks not only competing among each other; but also with non-banks and other financial institutions. Most bank product developments are easy to duplicate and when banks provide nearly identical services, they can only distinguish themselves on the basis of price and quality. Therefore, customer retention is potentially an effective tool that banks can use to gain a strategic advantage and survive in today's ever-increasing banking environment. It is a foregone conclusion that winds of massive change blowing across the banking industry in India forced most of the commercial banks, more so public sector banks, to resort to retail banking as a measure to attain further growth with stability. Retail banking is mass market banking, where individual customers' diverse needs are fulfilled at the local level i.e. by providing multiple products. It has been facilitated by growth of banking technology and automation of banking process. With much scope in the avenues for operations, the real challenge for the banks in the current scenario is to stand out in the midst of hard-hitting regulations of the apex body. Current paper focuses on the terms, scope and concepts of retail banking, its evolution in India, briefly discuss the scenario of Indian retail banking, also focuses on some of the major issues of Indian retail banking industry. It also visualizes the future of retail banking.*

**KEYWORDS**

Retail Banking, Corporate Banking, Customer Retention, Credit Culture.

**INTRODUCTION**

The banking industry is highly competitive, with banks not only competing among each other; but also with non-banks and other financial institutions. Most bank product developments are easy to duplicate and when banks provide nearly identical services, they can only distinguish themselves on the basis of price and quality. Therefore, customer retention is potentially an effective tool that banks can use to gain a strategic advantage and survive in today's ever-increasing banking environment. Analyzing markets based on customer perceptions, designing a service delivery system that meets customer needs, and enhancing the level of service performance are all pertinent objectives for banks seeking to gain and retain a competitive advantage (Brown and Swartz, 1989; Yavas, Benkenstein and Stuhldreier, 2004). Service quality has received much attention because of its obvious relationship with costs, financial performance, customer satisfaction and customer retention (Zeithaml, Berry and Parasuraman, 1996). From a rigorous investigation of traditional service quality outcomes in which face-to-face interaction between customers and employees was the primary focus. Recently, however, technology has had a remarkable influence on the growth of service delivery options (Dabholkar and Bagozzi, 2002) and a profound effect on services marketing (Bitner, Brown and Meueer, 2000). Customer acceptance of the new automated channels of service delivery in banks brings a dramatic change in the way retail banks build and maintain a close relationship with their customers (Mols, 2000).

Today banks have to look much beyond just providing a multi-channel service platform for its customers. With the Phase in which the banking sector is growing, Banks concentrate more on Product designing, Technology advancement, Expanding, Recruitment, etc, forgetting one main factor - Customer Satisfaction/ Expectation, which can be fulfilled by understanding today's customers' perception about various sector banks i.e. public sector banks, private sector banks and its retail banking services too. There are other pressing issues that banks need to address in order to chalk-out a roadmap for the future:

- Number of Retail bank branches have increased from 57262 (March 2006) to 71998 (March 2011), hence reach is no more an issue in choosing a bank for the customer.
- Banking channels like ATM, Mobile Banking, Online Banking, Phone Banking etc. have made banking easier and convenient.
- Approximately 6 percentage of a retail bank's customers are lost every year because of dissatisfaction with some aspect of its value proposition.
- Average middle class Indians have more than two bank accounts.
- Dissatisfaction with banking services have gone up, as the expectations of the customers has reached a new level due to advances in technology. Complaints filed against banks have increased from 10560 (March 2004) to 75927 (March 2011).
- Inclusive Banking and RBIs strategy, to ensure all individuals have a bank account, so that any schemes launched by the government, the benefits can be rooted through bank account.

Analyzing markets based on customer perceptions and to increase the level of service quality is the need of the hour, retailing banking will assist banks in not only gaining new customers but, it will also assist in retaining the existing customers with satisfaction.

**EVOLUTION OF RETAIL BANKING IN INDIA: A NEW MANTRA**

Indian banks have a chequered history. The British legacy left behind a host of large and small privately-held banks. The late 1960s saw the nationalization of banks, leading to the emergence of the public sector banks. The 1990s saw the banking industry embracing technology in a massive way, led in particular by the new private banks and foreign banks. Though a number of banks had been functioning for centuries in the Indian market, the real banking started only after the Banking Reforms in 1991. Banking in India has witnessed remarkable changes and development since the onset of the processes of liberalization, globalization and privatization. The liberalization policy of the Government of India permitted entry of private players into the banking industry, which witnessed the entry of nine new generation private banks during the period 1994-97. Indian banking sector has experienced increased competition since the inception of the financial sector reforms in 1992. Examining the process of banking sector reforms in India, observe that there has been a beneficial impact on the financial system consequent upon the reforms. In view of the opening of the state controlled banking sector for private players many new generation private sector banks have penetrated into the area of banking more prominently in the domains of corporate banking and retail banking. Many of the new generation private sector banks have made appreciable strides in the area of retail banking. This has infused a sense of intense competition among the major players in the industry. A. Prasad, Saibal Ghosh, (2007) have evaluated the proposition that competition in the Indian banking sector has increased since the inception of the financial sector reforms in 1992 using annual data on scheduled commercial banks for the period 1996-2004. Among these series of technology innovations, Internet banking

for the retail segment is a recent phenomenon that has generated a lot of interest in the Indian banking industry. The most shocking point is that; The Private and foreign banks have been the early adopters, while the Public sector banks are the followers.

Banking is a personalized service-oriented industry and hence provides services, which should satisfy the customer's need. The competition between public sector banks and private sector banks has put pressure on the banks to improve their customer services and work for image building and brand equity. Banks are the most common institutions and media for transfer of funds and investments. The challenges ahead for banks, especially for Public sector banks with private sector banks have greatly increased with increasing competition and the growing demand for a greater variety and superior quality of banking services to the end users. The growth of the retail banking industry is one area which has generated a lot of interest primarily because of the entry of many private sector banks and foreign banks, resulting in the availability of a wide variety of innovative banking products and services for the customers.

Due to increasing competition in retail banking, understanding the customer perception about the service quality is becoming indispensable. The private sector banks are posing a very stiff competition to the public sector banks and even to co-operative banks through their initiatives for meeting customer expectations and gaining a cutting edge. This is reflected by the increasing market share and better profitability of private banks in comparison to that of public sector banks. At the same time, public sector banks have also responded to the challenges posed by the private sector banks through conscious efforts to enhance their service quality by increasing its retail banking services. In recent times, the customer orientation of the banking sector has significantly increased. The introduction of a variety of new products and services with emphasis on quality of service clearly indicates how banks address the issue of customer needs and expectations through a Customer-centric approach. The strategies adopted by the private sector banks are more in tune with those of the foreign banks, where emphasis is given to establishing superior benchmarks of efficiency, focusing on precious customers, providing impressive customer service and bringing about operating efficiencies by using high-end technology. Like the foreign banks, the private sector Indian banks recruit the finest manpower, employ state-of-the-art technologies and are oriented towards building a strong brand image. Even though the private sector Indian banks do not have an extensive range of branch networks, the emerging trends indicate that they pose a great threat to the public sector banks because of their increasing market share.

### CONCEPT OF RETAIL BANKING

The word retail has its origin in French word 'retailer' and means "to cut a piece off" or "to break bulk". Retailing involves a direct interface with the customer and the coordination of business activities from end to end right, from the concept or design stage of a product or offering, to its delivery and post delivery service to the customer.

'Retail banking' refers to the dealing of commercial banks with individual customers, both on liabilities and assets sides of the balance sheet (Gopinath, 2005b). Similarly, Sood (2003) defines retail banking as "catering to the multiple banking requirements of individuals relating to deposits, advances and associated services".

The operations of any banking unit are divided into two broad categories, viz., wholesale banking or corporate banking and retail banking. The wholesale banking covers the financial needs of corporate houses, financial institutions, trusts, etc., and the size of the account is quite large. Retail banking, on the other hand, is not a new phenomenon. It has always been rampant in diverse forms. But, it has become synonymous with main stream banking for many banks lately. Typically, it refers to dealing with individual consumers both on the liability and asset side of the balance sheet. On the liability side, in the form of deposits such as fixed, current, saving account. Whereas on the asset side, in the form of various loans such as personal loans for specified/unspecified purposes, housing loan, auto loan, educational loans, mortgage loan, loans against various types of securities, etc. Besides this, the retail banking also provides various ancillary services such as mobile-banking, phone banking, internet banking, depository services, etc.

Retail Banking has emerged as a new buzzword in the Indian Banking arena. Traditionally, retail banking was confined to accepting deposits from individuals and providing them limited associated banking services such as loan against deposits, extension of locker facilities, safe custody of articles, remittances facilities, advisory services on investment, etc. Of later on, one can find that the retail banking has widened its scope by gradually securing its prominent place on the asset side (loan portfolio) of the Balance Sheets of the Banks as well. Today, most of the Indian commercial banks have largely been retail banks in their business composition. The modern retail banking encompasses retail deposit schemes, retail loans, credit cards, debit cards, mutual funds, insurance products, depository services including demat facilities and a host of other services catering to the needs of the individual customers. It refers to take care about the banking needs of the individual customers in an integrated manner.

### SCOPE OF RETAIL BANKING

In today's world where innovative financial services are being offered, the issue of retail banking is highly crucial and with a lot of potential growth. Hence, it generates interest for bankers and curiosity for researchers. Retail banking is the chain of products and services offered to individual customers and to those associated with business. Corporate and retail banking offers banking products and services to corporate and retail clients respectively through various channels. A bank's functions are fundamentally divided into two categories, the corporate banking or wholesale banking and the retail banking. On one hand, corporate banking fulfills the financial needs of corporate houses, trusts academicians, consultants, researchers, companies and other financial institutions. On the other hand, retail banking is a form of mass banking where financial needs of individual consumers such as professionals, salaried persons, self-employed persons, housewives, students, etc., are dealt with. The important characteristic that differentiates corporate banking from retail banking is that in corporate banking, it is the size of the customer's account that matters, while in retail banking, it is the number of customer accounts that counts. In wholesale or corporate banking, the customer is not a surviving entity. The directors of the company operate the corporate account on behalf of the shareholders.

Even the size of the account is large and, sometimes, the amount can be in crores of rupees. The services offered under corporate banking include cash management, general banking and trade finance. Corporate customers from different industries, with a well-defined capital structure, approach the bank for credit. Banks are subjected to high risk when offering credits to corporate customers. Hence, when the amount of loan and advance is very large, banks form a consortium to finance the projects. On the other hand, in retail banking, banks have transactions directly with customers, instead of corporations or other banks. The products and services under retail banking are designed to meet the financial needs of the customers. The small size of the accounts is less risky and the large number of such accounts is more profitable for the banks. The features and characteristics of retail banking products and services are based on the customer needs and marketing strategies adopted by banks.

Development in regulation and supervision will have a tremendous effect on the banks and various channels of their operations. The trend of sustainable banking is increasing day-by-day as the customers and investors are choosing banks for investments depending on the bank's vision and service in the social and environment arena. The customer is the presiding deity for the banks as far as retail banking is concerned. Therefore all the products and services are designed and woven around him/her. Apart from providing traditional services like offering various types of deposit accounts, collection of cheques/drafts/bills of exchange, safe deposit lockers, sale and purchase of shares, issue drafts, etc., the bankers also offer innovative services such as certificate of deposits, monthly income and retirement schemes, mortgages, smart money housing deposits, personal loan, loan against gold, credit cards, debit cards, services after the regular banking hours – telephone banking, ATM services, etc. As customers are not confined to a single group, such as educational, social, etc., the products and services are designed and offered to suit diverse customers' needs.

Technology has supported the development of the financial services industry during the last few years in an unprecedented manner. It has reduced the cycle of money to the shortest possible duration, thus, resulting in the expansion of financial services both in terms of reach and volume. A number of financial institutions and intermediaries have started taking practical steps for providing comprehensive online services. Banks are not an exception as they deal with money. They act as facilitators, by accepting money from the entities that have surplus cash and transfer the same to others that need it as lending rate of interest for a bank is higher than its borrowing rate. Apart from lending and borrowing money, banks also offer a number of other services like factoring, invoice discounting, overdraft, etc.

## SCENARIO OF INDIAN RETAIL BANKING

A new era in retail banking emerged during the mid 1990. This era was governed by the developments in the field of information. In retail banking segment, it is the individual customer who is at the centre. Therefore, banks operating in this segment have devised innovative delivery channels, creative advertising and branding efforts along with competitive product and pricing strategies for customers with diversified background. India provides very high-level growth potential in retail banking segment for banks. Indian economy is growing at an average of 8%, thus, providing much needed impetus to the phenomenal growth of the retail banking segment. Customers can conveniently bank these days irrespective of time and place. It has also offered services like D-MAT, plastic money (debit and credit cards), online transfers, etc. This has assisted the banks to reduce their operational costs.

Retail banking has been regarded as one of the major drivers of the total Indian banking sector. The retail banking segment of banks is experiencing many changes by adopting innovative strategies like cross-selling, packaged selling of retail products, acquisitions and alliances, leveraging their branch network, etc. Public Sector Banks (PSBs) are also adopting new strategies to retain customers. PSBs are base for the Indian banking system which accumulates more than 80 % of total banking business. Retail lending has become the hallmark of innovation in the commercial banking industry all over the world. In fact, retailing make ample business sense in the banking sector. While new generation private sector banks have been able to create a niche in this regard, the public sector banks have not lagged behind. Leveraging their vast branch network and outreach, public sector banks have aggressively forayed to garner a larger slice of the retail pie. By international standards, however, there is still much scope for retail banking in India. After all, retail loans constitute less than seven per cent of GDP in India vis-à-vis about 35 per cent for other Asian economies – South Korea (55 per cent), Taiwan (52 per cent), Malaysia (33 per cent) and Thailand (18 per cent). As retail banking in India is still growing from modest base, there is a likelihood that the growth numbers seem to get somewhat exaggerated. One, thus, has to exercise caution in interpreting the growth of retail banking in India. Developing countries like China and India have emerged as potential markets with immense investment opportunities. This high growing segment is also dominated by foreign banks. Foreign banks are doing well and are expected to win the race in India. Though the face of the retail banking has changed the trends of the Indian banking industry as a whole, it has to improve a lot. The banking and finance sector is performing extremely well and is expected to rise exponentially in the near future. The growth of retail banking, new finance products, emergence of the private sector players in finance and overall economic growth of the country depends on the good quality of skilled and trained workforce for each level of operations for all corporate banks, financial or non-financial institutions. The constituents of financial sector such as banks, insurance companies, mutual funds, financial institutional investments, infrastructure finance, forex, etc., are growing at a phenomenal pace.

## ISSUES OF INDIAN RETAIL BANKING INDUSTRY

Retail Banking has all its attendant risks. It is highly sensitive. Banks got to move cautiously. It is easy to enter, but difficult to get out. A systematic and a calculated approach is the pre-requisite for success in the long run. The following are some major issues faced by Indian Retail Banking Industry:

**Technology issue:** Although technology lends a supportive hand to the overall development of the banking industry through phone banking, ATMs, Credit cards, Debit cards, Internet banking, etc. there is an increasing peril of hacking, phishing and farming through which scanners are creating mayhem indulging in cyber crimes on a huge ground, which is tricky to be checked.

**Agricultural/Rural Credit issue:** Banks were and are unsuccessful to focus on the provisions of Agricultural Credit or Rural Credit due to it is very expensive to provide credits micro units in distant areas. It is possible, only through technology the costs can be reduced related to low unit financing.

**Credit card issues:** A variety of undesirable practices are implemented by credit card issuing institutions and their agents, which plight the customers. Some of them are unwanted calls to members of the public by card issuing banks/direct selling agents forcing them to apply for credit card, charging very high interest rates/service charges, non-disclosure of detailed billing procedure, lack of transparency in disclosing fees/charges/penalties.

**Lack of activist credit bureau:** One of the major barriers in foreign players is leveraging the Indian markets in the absence of affirmative credit bureau. In the foreign countries, the risk profile can be easily mapped to things and this information can be publicly traded.

**Legal framework issue:** A rapid legal procedure against the customers creating bad debts is virtually missing.

**Product Innovation issue:** Indian banks have revealed slight or no interest in innovative tailor-made products, which is the need of the hour. The foreign banks products will not work out in our diversified economy anymore.

**Focus on the Upper-class segment:** All banks are targeting the upwardly mobile urban salaried class. Although the players are scattering their operations into segments like self-employed and the semi-urban rich class, major thrust is given only to this segment. Over-dependence on this segment is bound to bring in stiffness in the business.

**Credit Culture issues:** The spend-now-pay-later 'Credit Culture' in India is just not much preferable among the rural population. Even, lack of suitable infrastructure facilities in the rural areas frustrates the interest of private banks to access rural areas. There is also absence of prompt loan repayment culture. In other words, prompt loan repayment culture has not yet set in many sectors of society.

## FUTURE OF RETAIL BANKING

In a market chock full of similar products, delivering a strong customer value proposition is one of the most important ways in which a bank can create a space for itself. Post-crisis, the balance of power has shifted clearly towards the banking consumer, who is demanding greater convenience, functionality, value, transparency, and above all high quality service and experience from his bank, and is willing to switch his service provider for these, if need be. The banking customer has also started to behave differently, and nowhere is this more apparent than in channel usage. A study conducted by 'finacle from infosys' (research agency) in April 2011, found that being able to use self-service channels was the biggest priority for 2 out of 3 banking customers. A similar proportion interacted with their bank over multiple channels, mostly a combination of the branch, Internet and mobile. And more than half-regardless of age or channel preference-felt that technology-led channel innovation was important. How are retail banks reacting to this news? An examination of the current and emerging Trends in banking give a preview of how banks are reinventing themselves – and their channels in particular – to strengthen their proposition to customers.

### 1. THROUGH CHANNEL INNOVATION

#### a) THE MAKEOVER OF BRANCH BANKING

After some years of depressed spending, investment in branch technology is on an uptrend. An analyst firm estimates that banks' global technology expenditure will cross US\$ 130 billion by 2015, of which investment in branch technology will be a significant component. That's understandable considering that approximately 80% of sales still originate at the branch. However, given the pressure to show a return on every investment, banks are being choosy about how they deploy their money. There is no doubt that some will be put into branch maintenance; but the focus is on technologies that can improve in branch customer experience. Branch experience improving technologies include enhanced ATMs/Kiosks that automate a number of functions including cash deposition and also make transacting more secure by way of biometric authentication.

In future, more branches may use monitoring technologies to see what's going on in real-time. These will also be useful to gather information about branch traffic and congestion, average wait time, peak business hours etc. Natural user interfaces – which respond to human gestures – could become a common sight within next-generation branches, as banks install very large interactive walls or windows that several visitors can browse through simultaneously for information, or as in the case of the Microsoft Surface, find, simulate and manipulate financial data on a "tabletop" sans pen and paper.

#### b) MUCH MORE THAN AN ATM

In the survey mentioned earlier, multi-functional ATMs ranked at the top of customers' wish list for branch innovation. For some time now, banks have been trying to equip their ATMs with higher capability. Spanish bank's redesigned sleek new ATM, which has made the user experience simpler and more intuitive, is perhaps the best indicator of what all ATMs will be like in future. Some of the ATM services that banks are either testing or rolling out include: scanning of cheques so that the machines can accept them; payment of direct taxes; acceptance of donations to charitable causes; railway ticketing; audio/voice enablement to assist visually challenged users; and audiovisual conferencing with "3D" advisors. Here, it is worth quoting the example of Gambia Bank's, which



has innovated on its ATMs in such a way that customers can make cash deposits without using a debit card. Users need only click a button, confirm their account details and feed in the cash. The machine sorts out the various denominations, totals the cash and credits the account immediately.

## 2. THROUGH FINANCIAL INCLUSION

### a) BANKING THE UNBANKED

With prime urban markets becoming saturated, banks are looking at generating business from hitherto untapped segments. Globally, it is estimated that about 2.5 billion people still lack access to formal financial services. While there's enormous potential in excluded markets, tapping it is neither easy nor viable with a traditional branch banking model. Banks, especially those in South Asia have circumvented the absence of a physical network by employing microfinance institutions, NGOs and individuals with strong local connections as agents or business correspondents, devolving the entire responsibility of acquiring, on boarding and serving customers upon them. They have set up fixed or mobile kiosks in the vicinity of customers, which act as mini branches. Now, the emergence of low cost, ubiquitous mobile technology is giving a further boost to the financial inclusion agenda of banks not just in Asia, but the world over.

However, it is also enabling non-banking players, namely mobile operators, to enter the financial domain. In most markets, these companies have leveraged their enormous reach into financially excluded markets to successfully deliver basic mobile banking/money transfer services and some are now experimenting with innovations, such as mobile wallets. This is creating some pretty interesting dynamics in the area of mobile financial services and opening up the possibility of new business models. As a result, the future may see many instances of banking institutions collaborating with network operators to extend mobile banking services in financially excluded regions.

### 3. THROUGH SOCIAL MEDIA

Social networking is arguably the biggest agent of change in consumer banking behavior. Even cursory observation shows how much it is a part of daily life. Today, social communities exert enormous influence over brand reputation, public opinion and purchasing decisions. Although banks, for the most part, are yet to leverage the potential of social media, they might not be able to resist its pull for long. Going forward, we can expect a wider participation by banks in popular social media. In future, social networks could be seamlessly connected to banking channels, and perhaps even evolve into one.

Times continue to be tough for banking institutions as they grapple with low consumer confidence, intense competition and regulatory restrictions in a market that is yet to recover from the crisis. On top, customers are flexing their muscles by demanding better service and experience from their bank and leaving them for another when they don't measure up to expectations. In a highly commoditized market, it is these aspects – and not product and price – that differentiate one bank from the other. And the onus of delivery rests almost entirely with the banking channel. Which is why, channel innovation will continue to play a crucial role in the future of banking. It could take many forms – a high-tech branch, a more intelligent ATM, a social media channel, on the cloud banking and a mobile phone that replaces both cards and currency, to name a few. Some of these may succeed more than others, but collectively they will reinvent the business of retail banking.

## SUGGESTIONS TO EXPAND INDIAN RETAIL BANKING INDUSTRY

Retail Banking is moving from a push to a pull product with people slowly realizing its importance. Thus the passion to excel with the right attitude is what will help to attract more customers. To enlist the 'unbanked' segment of the society by the service providers is a method to enlarge the retail banking. It is this underserved segment that is now becoming the focal point especially for some of the large financial institutions. Now, the time has come for the customer to demand a product that is not currently available in the Banker's kitty and the Bank has to factually create customer-specific products. Here comes the Banker in the role of a Financial Engineer. Agricultural Credit or Rural Credit is a segment required to be explored more. It can be considered as an unbanked segment. It has always been looked upon as a charitable activity rather than a profitable activity. Lowering the limit of minimum deposit for opening new accounts as per the instructions made by Reserve Bank of India. To accomplish greater financial inclusion, all banks need to make available a basic banking 'no frills' account either with 'nil' or very low minimum balances as well as charges that would make such accounts accessible to enormous sections of population. Banks should allow the earlier facilities to descend into the culture of the customers before any new facilities are launched. Also, the earlier facilities should be embedded with services so that customers not only appreciate new technology, but are also in a position to operate. With the effective usage of the cell phone technology, coupled with web developments service providers can innovate and offer feature-rich, user-friendly mobile banking applications. In the present era much importance is needed to be given internal as well as external infrastructure. Therefore, branches may be equipped with modern state of comfort facility. Different desks especially Retail desk may be clearly identified with sign boards.

## CONCLUSION

Today Retail Banking has emerged as a new buzzword in the Indian Banking arena. It is a foregone conclusion that winds of massive change blowing across the banking industry in India forced most of the commercial banks, more so public sector banks, to resort to retail banking as a measure to attain further growth with stability. Retail banking is mass market banking, where individual customers' diverse needs are fulfilled at the local level i.e. by providing multiple products. It has been facilitated by growth of banking technology and automation of banking process. With much scope in the avenues for operations, the real challenge for the banks in the current scenario is to stand out in the midst of hard-hitting regulations of the apex body. Globalization, consolidation and want of expertise are drastically redefining the banking taxonomy. Thus, the participants, be it a Indian financial player or a foreign entrant in the retail banking sector have to adopt a different approach in everything viz., products, services to hold the Indian market share, as a popular saying goes as variety is the spice of life.

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**IMPACT OF CELEBRITY ENDORSEMENT ON CONSUMER'S BUYING BEHAVIOUR**

**SUPREET KAUR**  
**ASST. PROFESSOR**  
**DEPARTMENT OF COMMERCE**  
**SRI GURU GOBIND SINGH COLLEGE OF COMMERCE**  
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**ABSTRACT**

*Celebrity endorsement has been established as one of the most popular tools of advertising in recent time. The practice of celebrity endorsements has proliferated over time. Now days it has become a pervasive element of advertising industry especially in India. Celebrity endorsement business has become a billionaire industry in India. Marketers use celebrity endorsers to influence the purchase decision of consumers in order to increase their sales and extend their market shares. It has become a trend and perceived as a winning formula for product marketing and brand building. It is easy to choose a celebrity but it is tough to establish a strong association between the product and the endorser. This paper is an effort to analyze the impact of celebrity endorsements on consumer's buying behavior.*

**KEYWORDS**

Attractiveness, Buying Behavior, Celebrity Endorsement, Multiple Endorsements.

**INTRODUCTION**

In a Market, Every brand attempts to steal at least fraction of a person's time to inform him/her of the amazing and different attributes of the product at hand. The challenge of the marketer is to induct all possible measures to influence, motivate and inculcate desire to purchase, in the customer through an effective advertising campaign. In order to achieve this, use of celebrity for endorsement of a brand is widely used marketing strategy.

Companies invest large sums of money to align their brands and themselves with endorsers. Such endorsers are seen as dynamic with both attractive and likeable qualities and companies plan that these qualities are transferred to products via marketing communications activities. Furthermore, because of their fame, celebrities serve not only to create and maintain attention, but also to achieve high recall rates for marketing communication messages in today's highly cluttered environments.

Thus, celebrity endorsement in advertisement and its impact on the overall brand is of great significance. In this process, the companies hire celebrities such as from a particular field (Sports, TV Stars, and Models) to feature in its advertisement campaigns. Products ranging from a notebook to electronics use celebrities for communication. AdEx India Report, 2007 reported that a top celebrity can get as many as 21 advertisers to endorse products. Marketers spend enormous amounts of money annually on celebrity endorsement contracts based on the belief that celebrities are effective spokespeople for their products or brands. Celebrity Endorsement is viewed as a billion dollar industry in today's era. Various companies are signing deals with celebrities in the hope that by using celebrities they can accomplish a unique and relevant position in the minds of the consumers. Celebrity endorsement is increasingly being employed across various industries regardless of the product type. It is known to be playing the role of a signaling strategy.

**WHO IS A CELEBRITY?**

According to Oxford Dictionary, Celebrity refers to "A Famous Person". A **celebrity** is a person, who has a prominent profile and commands some degree of public fascination and influence in day-to-day media. A Person with great popular appeal, prominence in a particular field, and is easily recognized by the general public.

Various careers within the fields of sports and entertainment are commonly associated with celebrity status. While people may gain celebrity status as a result of a successful career in a particular field (primarily in the areas pertaining towards sports and entertainment), in other cases, people become celebrities due to media attention for their extravagant lifestyle or wealth (as in the case of a socialite); for their connection to a famous person (as in the case of a relative of a famous person); or even for their misdeeds (as in the case of a well-known criminal). Celebrities may be known around the world (e.g., pop stars and film actors), within a specific country (e.g., a top Australian rugby player); or within a region (e.g., a local television news anchor).

According to Friedman and Friedman, a "celebrity endorser is an individual who is known by the public for his or her achievements in areas other than that of the product class endorsed".

Compared to other endorser types, famous people always attach a greater degree of attention, recall and loyalty. In this age of intense competition, where capturing a position in the consumers' mind space is extremely tough, celebrity endorsements give an extra edge to the companies for holding the viewers' attention. Celebrities can catalyze brand acceptance and provide the enormous momentum that brands require by endorsing the intrinsic value to the brand.

Like

1. Actors (e.g., Shah Rukh Khan, Aamir Khan, Aishwarya Rai, Kajol)
2. Models (e.g., Mallika Arora, Milind Soman, Anup Soni),
3. Television Personalities (Husain, Smriti Irani, Heena Khan)
4. Sports figures (e.g., Sachin Tendulkar, Sania Mirza, Mary Kom, Vijender Singh)

**WHAT IS CELEBRITY ENDORSEMENT?**

A form of brand or advertising campaign that involves a well known person using their fame to help promote a product or service. It refers to use of celebrities in order to increase sales of a product. Celebrity Endorsement was initiated mid 80's in India. One of the first sports endorsements in India was when Farokh Engineer became the first Indian Cricketers to model for Brylcream The Indian cricket teams now earns roughly Rs. 100 crore through endorsements. There was a spurt of advertising, featuring stars like tabassum (Prestige Pressure cookers). Jalal Agha (Pan Parag).Kapil Dev (Palmolive Shaving cream) and Sunil Gavaskar (Dinesh Sutings) to now days Aishwarya Rai (Olay Cream), Kajol (Alpenlibe), Shahrukh (Navratan Cool Talc) & Aamir Khan (Godrej) & many more.

**REVIEW OF LITERATURE**

As companies invest large sums of money in celebrity endorsement contracts, any celebrity Endorsement relationship must contribute to larger marketing strategies (Erdogan and Kitchen 1998). accordingly, campaigns involving celebrities are believed to bring more positive results if they are properly integrated than traditional non-integrated campaigns (Bertrand and Todd, 1992; Rogers, 1997).

Traditional explanations of celebrity endorsement literature are celebrity endorsement increases the attention paid to an advertisement (Buttle, Raymond, and Danziger 2000); celebrities are generally attractive, which helps persuasion when consumers are worried about social acceptance and others' opinions (DeBono

and Harnish 1988) or when the product is attractiveness-related (Kahle and Homer 1985, Kamins 1990); Mc Craken’s (1989) defined celebrity endorsement as – “any individual who enjoys public recognition and who uses this recognition on behalf of a consumer good by appearing with it in an advertisement. M. Gayathri Devi and Dr. C. Ramanigopal (2010), in their paper entitled “Impact of Celebrity endorsement on Indian market” stated that Whether Celebrity endorsement has a Positive or a negative impact on the brand is a debate that is open to interpretation. But till the time the corporate world continues to foot fancy bills of celebrity endorsers and till Consumers continue to be in awe of the stars, the party is not likely to break up. A reason for the increase in the usage of celebrity endorsing on various levels of mass media is almost exclusively due to the fact that this strategy results in more positive advertisement and product ratings (Dean and Biswas, 2001), as well as Horstmen and Clark 2003 provide a model that explains the success of fictional Celebrity endorsement. They find that if there are two celebrities that achieve the same audience variable cost, the firm prefers the celebrity with lower fixed cost .In this sense, cultural icon like Ronald Mcdonald, Amul Girl, Pillsbury dough boy, fidodido are the ideal celebrities as they are memorable and so have a low cost of audience reach and are fictional so do not have large endorsement fees. Prachi Raturi (2005) finds that when it comes to selling, there is nothing quite like a celebrity sales person.

**RESEARCH OBJECTIVES**

Objective of this study was to explore the link between brands and the consumer psyche and determine a model which can help any brand to identify the critical key areas to concentrate on while going for any celebrity endorsement. The Main objective of this work is to study the effects of celebrity endorsement on Consumer buying behavior in Indian context. Various other supporting objectives are as follows:

1. To identify the attributes that defines the success of using a celebrity in product promotion
2. To study the influence of celebrities on consumer behavior with respect to branded products and services.

**CELEBRITY BRANDING AND ITS EFFECT ON CONSUMERS**

In today’s dynamic and competitive environment, customers are continuously exposed to various different brands through different marketing strategies. Consumer behavior is an important and complex area for marketers as different people have different needs. As stated by Lancaster et al. (2005) that satisfaction of consumer needs is the ultimate goal for a business; thus the marketer’s job is to accurately identify the customer needs and accordingly develop product that satisfies their wants. Therefore, it is very critical for marketers to have a proper understanding of consumer buying behavior.

Perner (2009) defined consumer behaviour as "The study of individuals, groups, or organizations and the processes they use to select, secure, use, and dispose of products, services, experiences, or ideas to satisfy needs and the impacts that these processes have on the consumer and society." According to Perner (2009) knowledge of consumer buying behaviour helps marketers in developing their marketing strategies by understanding the psychology of the consumers as how

- a) They think, feel, differentiate, and select between different brands or products.
- b) How the consumer is influenced by his or her environment (e.g., culture, family, signs, media);
- c) The behavior of consumers while shopping or making purchase decisions;
- d) How consumer motivation and decision strategies differ between products that differ in their level of importance; and
- e) How marketers can adapt and improve their marketing campaigns and strategies to reach the consumer more effectively.
- f) Their Age, Religion, Culture, Income, Informal Group & Referent Group.

Consumer Behavior with regard to celebrity endorsement is analyzed with the help of responses of the respondents based on questionnaire formulated. Following analysis is made out of it as follows:-

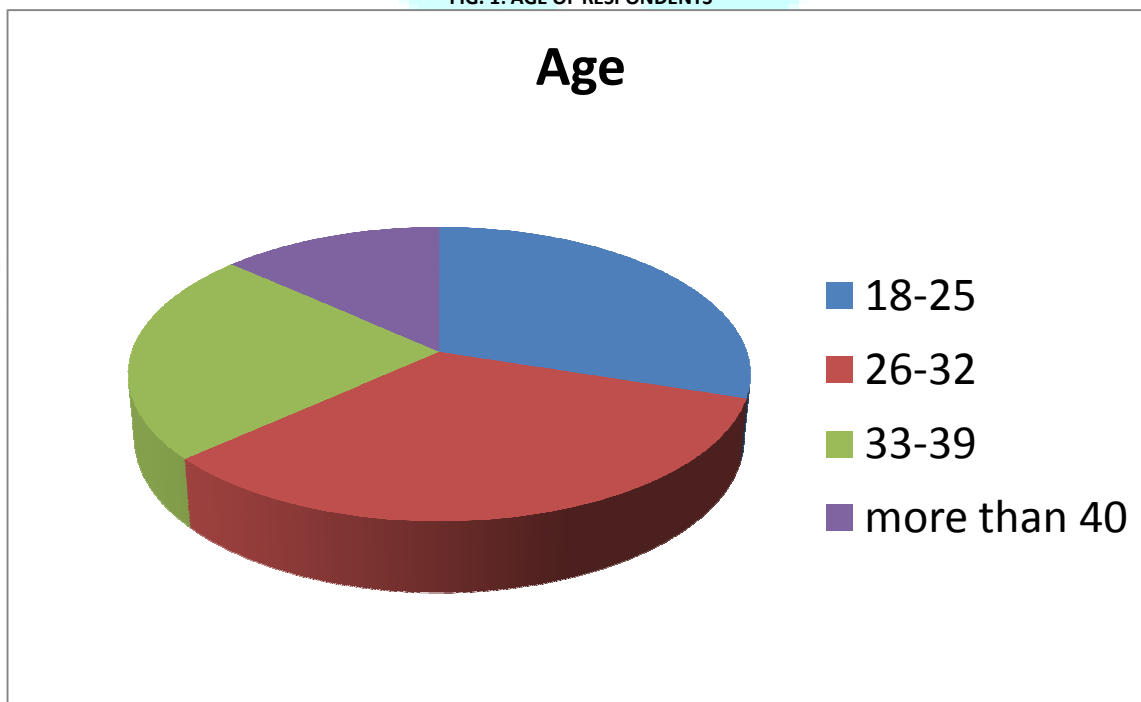
Primary Source data was collected with the help of Questionnaires on 60 respondents.

**TABLE A: OCCUPATION OF RESPONDENTS**

Respondents	occupation	Number of Respondents	Percentage (%)
Business Class		18	30
Service Class		12	20
Students		15	25
others		15	25

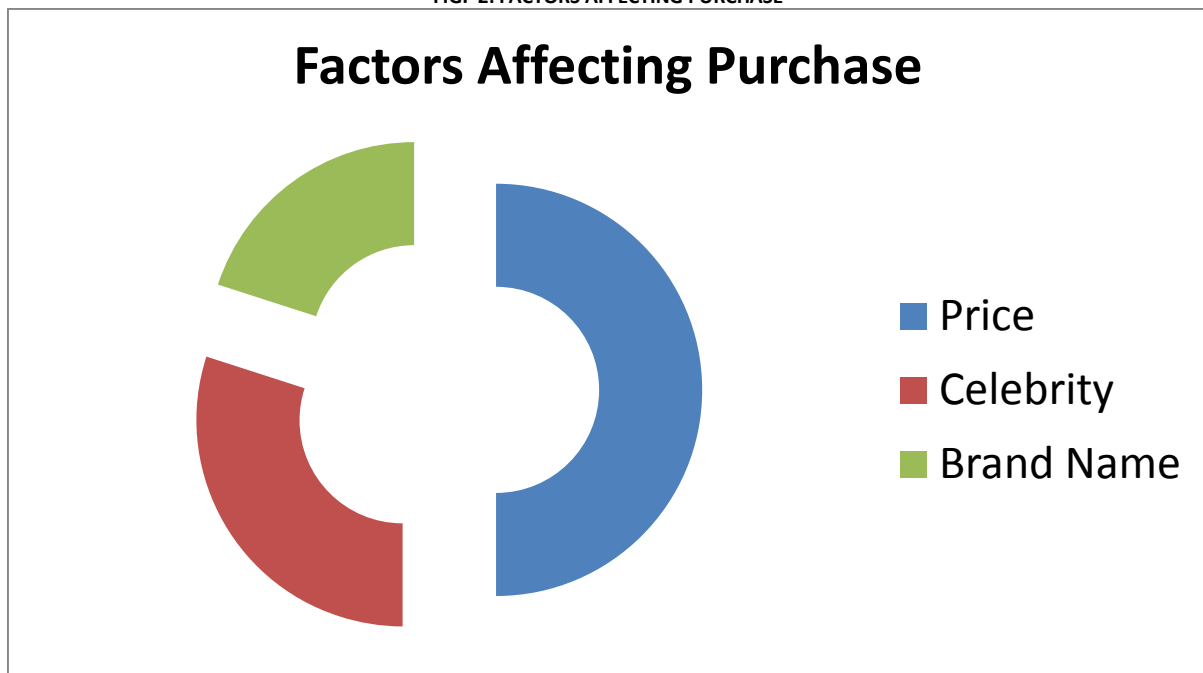
Source: On Field Survey

**FIG. 1: AGE OF RESPONDENTS**



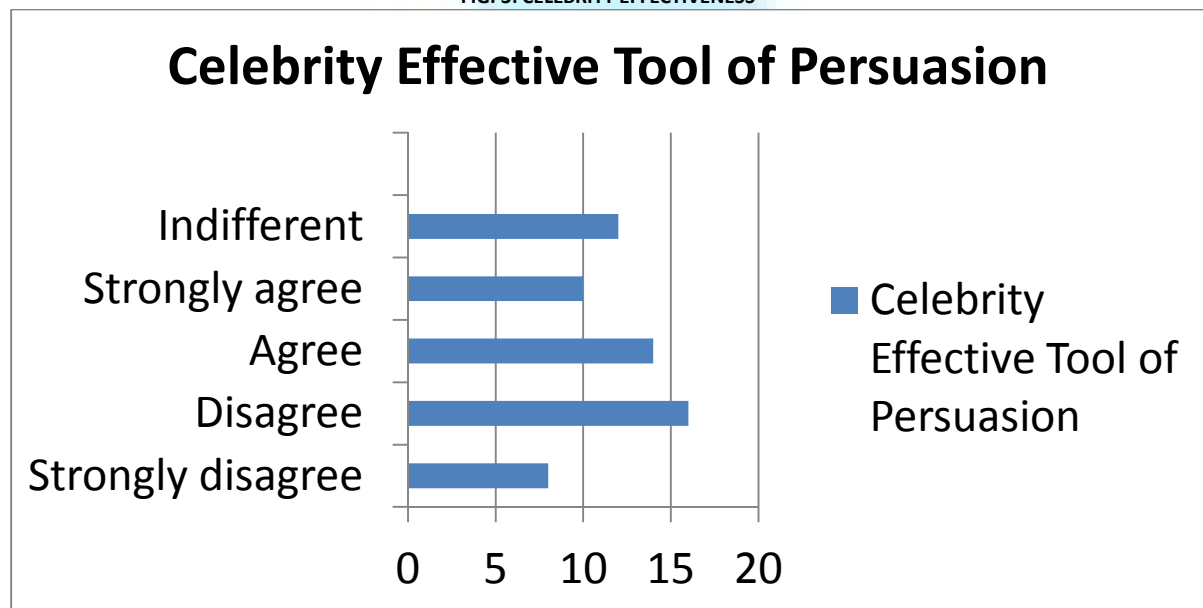
Source: On Field Survey

FIG. 2: FACTORS AFFECTING PURCHASE



Source: On Field Survey

FIG. 3: CELEBRITY EFFECTIVENESS



Source: On Field Survey

**Interpretation**

Data represented in the form of bar diagram, pie – charts, table , graphs depicts that most of respondents belongs to business class with the age group of 26-32 years mostly affected by the price of a product and on an around 26% of the respondents disagree using celebrity as a tool of brand endorsement.

Secondary Source data has been collected from the survey conducted by AdEx India:

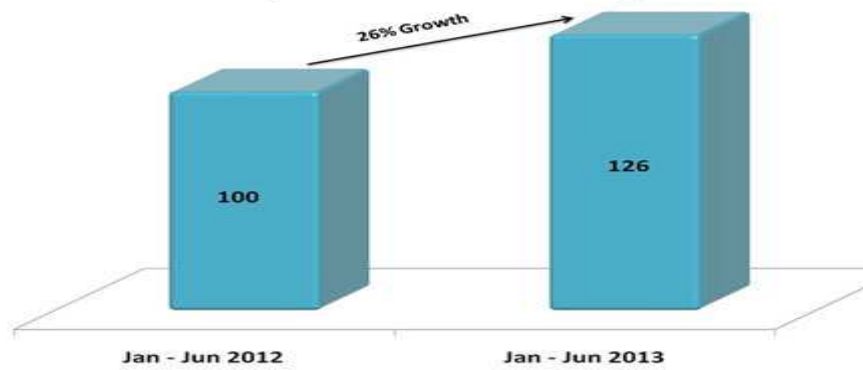
**Synopsis of Celebrity Endorsement during Jan - Jun 2013**

**HIGHLIGHTS**

- ❖ Celebrity Endorsement witnessed 26% growth in Jan - Jun 2013 in comparison with Jan - Jun 2012
- ❖ Katrina Kaif ranked number 1 celebrity in terms of Celebrity Endorsement during Jan - Jun 2013
- ❖ Aerated Soft drink is the top Product Category with 8% share of Celebrity Endorsement Ad Volume
- ❖ Hindustan Unilever Ltd is the top advertisers in terms of Celebrity Endorsement during Jan - Jun 2013

FIG. 4

**Growth of Celebrity Endorsement Advertising  
(Jan – Jun 2013 Vs. 2012)**



Source : AdEx India, a division of TAM Media Research

**MAJOR FINDINGS**

At the theoretical level, the research finds that the celebrity endorsement strategy has become an important component of marketing communications strategy for firms in today’s competitive environment. In a way, these findings provide guidelines for managers planning to utilize and execute celebrity-based campaigns.

Through analysis and research, the following factors are revealed: -

- A good number of respondents are selecting only those brands which are endorsed by the celebrities.
- The Purchase attitude is influenced by the celebrity endorsement factors, Price, Brand Name.
- Multiple Endorsements create cluttering the minds of the consumer.
- Celebrity endorsement enhances product information & creates awareness among consumers.
- The Customer wants a variety of aspects from the endorsement like credibility & acceptability of the endorser.

FIG. 5: ATTRIBUTES OF EFFECTIVE CELEBRITY ENDORSEMENT



**CONCLUSION**

Celebrity endorsement is a popular marketing approach to making a product more noticeable, attractive and compelling to consumers. Although the use of celebrity endorsers involves substantial costs, it does not instantaneously guarantee success in terms of marketing promotion. Hence, there is a need to study how celebrity endorsements affect consumers' behavioral responses. Consequently, it is worthwhile examining how consumers respond to celebrity endorsement efforts by marketers. This paper examines the impact of celebrity endorsement on consumers' behavioral intentions. A study is carried out involving a survey of 60 respondents. These respondents were asked a series of questions about their preferences. All the related factors have to be taken care of; otherwise the celebrity endorsement may prove to be a landmine having a devastating impact on the profitability, product’s future prospects and brand image.

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**A STUDY ON THE FACTORS INFLUENCING CUSTOMER'S CHOICE OF RETAIL STORES****ANUPAMA SUNDAR D****ASST. PROFESSOR****JSS CENTRE FOR MANAGEMENT STUDIES****SRI JAYACHAMARAJENDRA COLLEGE OF ENGINEERING****JSS TECHNICAL INSTITUTIONS CAMPUS****MYSORE****ABSTRACT**

The purpose of the study is to know the factors influencing customers to choose retail stores and demonstrated its relevance to customer loyalty towards retail stores. The Indian retail sector has been dominated by small independent players such as traditional, small grocery stores and others. The Indian retail industry is divided into organized and unorganized sectors. Organized refers to trading activities undertaken by licensed retailers that is those who are registered for sales tax income tax etc. These include the corporate –backed hypermarket and retail chains, and also the privately owned large retail businesses. Mysore is one of the handfuls of 48 cities that enjoys both an above average retail profit potential and capacity for more retailers. The principal cluster of leading indicator retailers is in the center of the city in the vicinity of Devaraj Urs Road. Retailers and other correlative businesses also cluster elsewhere, and the notable mega mall is entirely removed from the center city, about three miles away on Ring Road. Total 90 samples were collected using questioner and survey was created to the respondent of Mysore retail customers. All items were measured by responses on a five-point Likert scale ranging from 1= strongly Disagree/ Completely Irrelevant to 5 = strongly Agree/ Completely Relevant. The study employs primary data. The statistical analysis conducted to find the relevant results are Factor analysis. Reliability test, Correlation, Regression analysis, test through statistical package for social sciences (SPSS) were employed to estimate the relationship between independent and dependent variables. The result shows the factors correlated with customer loyalty, customer satisfaction, service quality, perceived price, and purchase intention.

**KEYWORDS**

retail stores, customer's choice.

**BACKGROUND**

Historically, the Indian retail sector has been dominated by small independent players such as traditional, small grocery stores and others. Recently organized, multi-outlet retail concept has gained acceptance and has since then accelerated. Driven by changing lifestyles, strong income growth and favorable demographic patterns, Indian retail is expanding at a rapid pace. Mall space, from a meager one million square feet in 2002, is expected to touch 40 million square feet by end-2007 and an estimated 60 million square feet by end-2008, says Jones Lang LaSalle's third annual Retailer Sentiment Survey-Asia.

The retail industry in India is of late often being hailed as one of the sunrise sectors in the economy. A.T. Kearney, the well known international management consultant, recently identified India as the second most attractive retail destination globally from among thirty emergent markets.

The Retail sectors have become one of the most dynamic growing sectors in recent times. Retailing has always been an integral part of economic development. Nations with strong retail activity have enjoyed greater economic and social progress. It contributes to the development by matching the individual requirements of the population with the producers and suppliers of merchandise. By bringing the product to the customers, they are helpful in creation of demand of new offers leading to expansion of market. The Indian retail industry is not only one of the most fragmented in the world, but also the most challenging due to its unorganized nature.

The retail sector is broadly classified in to two groups; organized and unorganized retail sector. The organized retailing refers to trading activities undertaken by licensed retailers, that is, those who are registered for sale tax, income tax, etc. These include the corporate – backed hypermarkets and retail chains, and also privately owned large retail businesses. It is not just stocking and selling but is more about efficient supply chain management, developing vendor relationships, quality customer service, efficient merchandising and timely promotional campaigns. On the other hand the unorganized retailing refers to the traditional formats of low-cost retailing, for example, the local kirana shops, owner managed general stores, convenience stores, hand cart and pavement vendors, etc. This market is characterized by typically small retailers, more prone to tax evasion and lack of labor law supervision. This market is more common in developing countries.

The present scenario of the industry is focused on forward buying of retail real estate in order to reap balance sheet advantages later in the business cycle and also rapid ramping of operations in presently operating outlets in order that the loyalty purchase habits of consumers are built over a period of time before the world majors enter the market with deeper pockets and buying power.

Indian's retail sectors is wearing new clothes and with a three- year compounded annual growth rate of 46,64 % retail is the fastest growing sectors in the Indian economy. Traditional market is making way for new formats such as departmental stores, hyper supermarket and specialty stores. Western-style malls have begun appearing in metros and second-rung cities alike introducing the Indian consumer to an unparalleled shopping experience.

The Indian retail sectors are highly fragmented with 97 percent of its business being run by the unorganized retailers like the traditional family run stores and corner stores. The organized retail however is at a very nascent stage through attempts are being made to increase its proportion .

**LITERATURE REVIEW****BACKGROUND OF THE STUDY**

This study is mainly done to know factors influencing customer's choices of retail store and track the relationship between dependent variable customer loyalty and independent variables customer satisfaction, service quality, perceived price, and purchase intention. It is an empirical study. Questionnaire was prepared for variables and the data was collected from respondent of Mysore through structured survey. Total 90 samples were collected. The statistical analysis conducted to find the relevant results are Factor analysis, reliability test, and Correlation and Regression analysis. Factor analysis and Reliability test is done know factors reliable for structure questions. Correlation and regression is done to know the relationship between dependent and independent variables and are they significant or not.

**The broad areas covered in the literature review are:**

1. Customer loyalty
2. Customer satisfaction
3. Service quality
4. Perceived price
5. Purchase intention

Although convergence seems to have emerged from the study of interrelationships, ambiguity persists relative to Rust and Oliver's (1994) third directive, the study of consequences. That is not to say that direct links to outcome variables have not appeared in the literature. Numerous studies, have specified



relationships between quality, value, satisfaction and such consequences as customer loyalty, positive word of mouth, price premiums, and repurchase intentions. For instance, if the research objective is to assess customer satisfaction implications, then the model tends to be "satisfaction dominated," such that the primary link to outcome measures is through satisfaction. This is also true of studies that focus on either service quality or service value.

Andres Kuusik (2007) studied the influence of various factors on customer loyalty. The results revealed that four analyzed factors affecting customer loyalty (satisfaction, trustworthiness, image and importance of relationship) are playing different roles on the different levels of customer loyalty. The findings of the present study revealed that it is not accurate to treat all customers equally in terms of methods of increasing their loyalty. It is observed that overall satisfaction and importance of products (or relationship) build the foundation of any kind of loyalty, also the reliability of products or trustworthiness of the vendor is most critical for behavioral loyalists and the image creation is the main tool for getting committed customers.

M.D.Johnson, A.Gustafsson, T.W.Andreassen (2000) Modern retailers believe that customer satisfaction is a major factor in doing successful business. Customer satisfaction refers to customers' feelings of satisfaction or dissatisfaction arising from comparing a product's or service's performance or outcome along with their expectation. The role of satisfaction can be seen as a factor that affects purchasing intention of consumers, and also customer satisfaction is responsible for store sales performance. The American Customer Satisfaction Index divides customer satisfaction into three components: overall satisfaction, expectancy-disconfirmation, and real performance of a product or service versus performance of an ideal product or service. Taking the above into account, we assumed that customer satisfaction would have a relationship with the amount of purchase from retail stores.

This study begins with an exploration of the concepts related to service quality. According to Parasuraman, Zeithaml & Berry (1988) service quality means the customer's overall judgment of the excellence of the service or the difference between one's expectation and the actual service performed. A discussion on the service quality concept and the definition of services and quality is presented. This is followed by a discussion on the perception of service quality, expectations and the zone of tolerance. The perception and expectations of service quality is part of the definition of service quality as stated by Parasuraman, Zeithaml & Berry (1988). A discussion of the main service quality models used by the Nordic school and North American school will be presented. The North American school uses SERVQUAL to measure service quality and it is discussed in-depth since it is the most used tool for measuring service quality.

W.Ulaga and S.Chacour (2001) offering excellent value to customers is a continuing concern of management in many business markets nowadays. Knowing how customers evaluate product or service value has become essential for firms. Nonetheless, perception of value is subjective since different customers from different cultures and different times seem to evaluate different value. This notion depicts value as a changing variable, at any given time e.g. before purchase, at the moment of purchase, at the time of use, and after use. Value normally consists of quality, service, and price (QSP), consequently, we assumed that perceived value, and perceived service quality would have a relationship with the amount of purchase from retail stores.

J. S. Armstrong, V. G. Morwitz, and V. Kumar (2000) Purchase intention is used to demonstrate intention of buyers to buy goods or services. Consumer's decision is based on a complex set of factors such as quality, value, and satisfaction, which can directly influence behavioral intention. Intentions have normally been accepted as the cognitive component of an attitude and it is usually assumed that this cognitive component is associated with the attitude's affective component. Purchase intention is more suitable for short time measurement than for long time measurement. Intention can be used to describe customer's loyalty. So, we conjectured that purchase intention would have a relationship with the amount of purchase from retail stores.

## OBJECTIVES

1. To study the factors influencing customers to choose retail stores.
2. To study **customer loyalty** towards retail stores.
3. To study **customer satisfaction** towards retail stores.
4. To study customer preference towards **service quality** of retail stores.
5. To study customer preference towards **perceived prices** of retail stores.
6. To study customers **purchase intention** towards retail store.
7. To identify the relationship between variables.

## VARIABLES

Dependent variable: customer loyalty

Independent variables: Customer satisfaction, perceived service quality, perceived price, purchase intention.

## METHODOLOGY

**Sample design:** Empirical study

### 1. SAMPLES SELECTION

The study employs primary data. Primary data was collected by structured questionnaire and survey. Structured questionnaire containing 30 items was developed for the purpose of data collection. Total 90 samples were collected. The survey was created to the respondents from Mysore using convenience sampling.

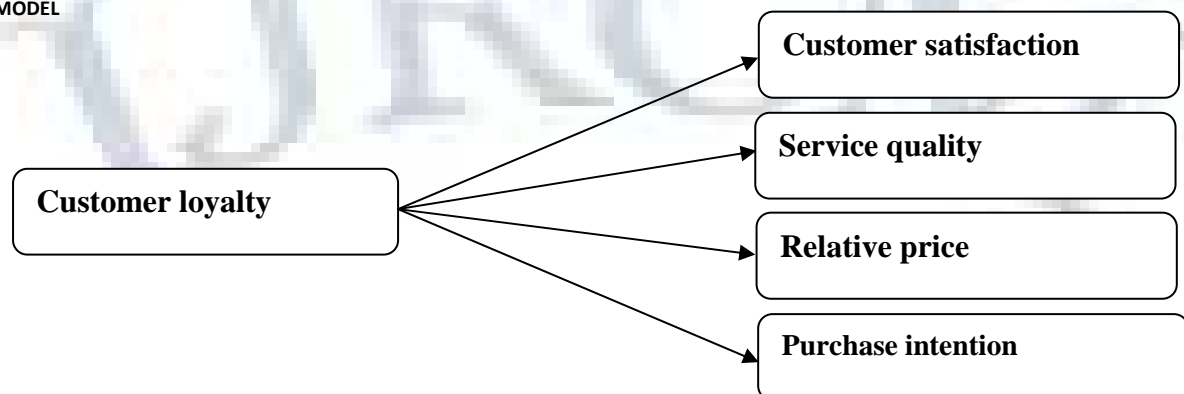
### 2. SAMPLING METHOD

All items were measured by responses on a five-point Likert scale in agreement/ relevance with statements, ranging from 1= strongly Disagree/ Completely Irrelevant to 5= strongly Agree/ Completely Relevant.

### 3. STATISTICAL TOOLS USED FOR ANALYSIS

The statistical analysis conducted to find the relevant results are FACTOR ANALYSIS, RELIABILITY TEST, and CORRELATION ANALYSIS & REGRESSION ANALYSIS.

## CONCEPTUAL MODEL



## HYPOTHESIS

$H_1$ : There is a significance relationship between customer loyalty and customer satisfaction.

$H_0$ : There is no significance relationship between customer loyalty and customer satisfaction.

- $H_2$ : There is a significance relationship between customer satisfaction and service quality.
- $H_0$ : There is no significance relationship between customer satisfaction and service quality.
- $H_3$ : There is a significance relationship between service quality and perceived price.
- $H_0$ : There is no significance relationship between service quality and perceived price.
- $H_4$ : There is a significance relationship between perceived price and purchase intention.
- $H_0$ : There is no significance relationship between perceived price and purchase intention.
- $H_5$ : There is a significance relationship between purchase intention and customer loyalty.
- $H_0$ : There is no significance relationship between purchase intention and customer loyalty.

**RESULTS**

**FACTOR ANALYSIS**

Rotated Component Matrix <sup>a</sup>				
	Component			
	CS	SQ	PP	PI
sq1		.693		
sq2		.745		
sq5				.603
sq6				.779
sq7		.746		
sq9		.756		
sa1		.666		
sa3		.551		
pi1				.636
pic3				.658
cs1	.638			
cs2	.848			
cs3	.882			
ct1	.853			
ct2	.734			
pp1			.615	
pp2			.848	
pp3			.858	
Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.				
a. Rotation converged in 5 iterations.				
Reliability: Reliability Statistics				
Cronbach's Alpha				N of Items
.863				5

Reliability Statistics	
Cronbach's Alpha	N of Items
.798	6
Reliability Statistics	
Cronbach's Alpha	N of Items
.767	3

Reliability Statistics	
Cronbach's Alpha	N of Items
.621	4
Component Matrix <sup>a</sup>	
	Component
	1
cc1	.802
cc2	.852
cc3	.546
cc4	.900
Extraction Method: Principal Component Analysis.	
a. 1 component extracted.	
Reliability Statistics	
Cronbach's Alpha	N of Items
.774	4

The reliability of factor the cronbach's Alpha tests for all variables. Generally accepted cronbach's Alpha should be greater than 0.60. Our measurement of all variables had cronbach's Alpha value of 0.863, 0.798, and 0.767 and 0.621.

**CORRELATION**

		cl	REGR factor score 1 for analysis 1	REGR factor score 2 for analysis 1	REGR factor score 3 for analysis 1	REGR factor score 4 for analysis 1
cl	Pearson Correlation	1	.249*	.271*	.628**	.013
	Sig. (2-tailed)		.019	.010	.000	.907
	N	89	89	89	89	89
Customer satisfaction	Pearson Correlation	.249*	1	.000	.000	.000
	Sig. (2-tailed)	.019		1.000	1.000	1.000
	N	89	89	89	89	89
Service quality	Pearson Correlation	.271*	.000	1	.000	.000
	Sig. (2-tailed)	.010	1.000		1.000	1.000
	N	89	89	89	89	89
Perceived price	Pearson Correlation	.628**	.000	.000	1	.000
	Sig. (2-tailed)	.000	1.000	1.000		1.000
	N	89	89	89	89	89
Purchase	Pearson Correlation	.013	.000	.000	.000	1
	Sig. (2-tailed)	.907	1.000	1.000	1.000	
	N	89	89	89	89	89

\*. Correlation is significant at the 0.05 level (2-tailed).

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

Factor cl is significantly and positively correlated with factors customer satisfaction, service quality and perceived price.

There exists a significant strong positive correlation between customer loyalty and customer satisfaction, service quality, and perceived price since  $p < .01$  the coefficient of correlation  $r = .249^*, .271^*, .628^*$ .

**REGRESSION ANALYSIS**

MODEL SUMMARY <sup>b</sup>				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.728 <sup>a</sup>	.530	.508	.70163681

a. Predictors: (Constant), REGR factor score 4 for analysis 1, REGR factor score 3 for analysis 1, REGR factor score 2 for analysis 1, REGR factor score 1 for analysis 1

The r-square value of .530 suggests that 53.0 percent variation in customer loyalty can be explained by variation perceived price, customer satisfaction, service quality.

Variation can be attributed to other causes.

ANOVA <sup>b</sup>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	46.647	4	11.662	23.689	.000 <sup>a</sup>
	Residual	41.353	84	492		
	Total	88.000	88			

a. Predictors: (Constant), REGR factor score 4 for analysis 1, REGR factor score 3 for analysis 1, REGR factor score 2 for analysis 1, REGR factor score 1 for analysis 1

b. Dependent Variable: c

The overall regression model is fit since  $p < .05$

COEFFICIENTS <sup>a</sup>						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.264	.074		.000	1.000
	REGR factor score 1 for analysis 1	.249	.075	.249	3.327	.001
	REGR factor score 2 for analysis 1	.271	.075	.271	3.629	.000
	REGR factor score 3 for analysis 1	.628	.075	.628	8.396	.000
	REGR factor score 4 for analysis 1	.013	.075	.013	-.168	.867

a. Dependent Variable: cc

Customer loyalty can be predicted to a fair degree using the equation.

An enter method multiple regression analysis was performed to test the relationship between the dependent variable, customer loyalty on the independent variables, customer satisfaction, service quality, perceived price are significant. Purchase intention is not significant.

**MANAGERIAL SIGNIFICANCE**

- The findings of this study may be extended by adding the views of service stores managers.
- The findings of this study help retail stores managers while targeting more customers.
- Understanding of the reasons why a consumer likes or does not like a particular retail stores.

**CONCLUSION**

In this research, when considering variables that had a direct effect on customer loyalty had a positive effect on the customer satisfaction it has direct affect on service quality of stores quality of stores is affected by perceived price's of the stores, price have positive effect on purchase intention of customer and customer intention have a negative effect on customer loyalty. This shows that customer satisfaction while shopping in a retail chain depends on factors like rewards, customization and such other tactics employed by retailers. But the impact of all these factors is lower than service quality, which plays a major role in determining satisfaction and satisfaction is what makes customers loyal and choose of retail stores.

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## GLOBALISATION, SEX INDUSTRY AND SEX MYTH: A COMPARATIVE STUDY OF SEX MYTH AMONG ADULT MEN AND WOMEN IN CHHATTISGARH & WEST BENGAL

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### ABSTRACT

*Sex industry has been affected by the Global changes in migration, health, employment, and public policy. In our India sometimes it is being encouraged by the sex myth. A sex myth is a false belief about sexual behavior or physiology that is either scientifically inaccurate or have questionable authenticity. Sex myths are never useful, and frequently they are baleful. While it can be argued that we live in an age of sexual enlightenment, there may be more heat than light in the sex lives of college men and women. Conservative views of sexuality are now the norm in the modern republic of India, and South Asia in general. However, with increased exposure to world culture due to globalization, and the proliferation of progressive ideas due to greater education and wealth, India is beginning to go through a western-style sexual revolution especially in cosmopolitan cities. Many sexual issues are used as ways of political parties garnering votes amongst conservative Indians. These issues are also matters of ethical importance in a nation where freedom and equality are guaranteed in the constitution of its own. Are college students who have progressed to more advance level of study less likely to endorse sex myth? Or alternately, does belief in sex myth? It is irony that sex which forms so much an integral part of our lives is so difficult to be discussed and talked about in a rational manner. There is probably no other area of our life which we care so much but know so little as sex. The present investigation examined the incidence of beliefs in sex myths in college students of two separate states i.e. Chhattisgarh and West Bengal. Qualitative and quantitative methods were triangulated; a questionnaire, in-depth interviews were all used. Knowledge about sex contained several misconceptions, misinformation, and myths rooted in pupils of both states, as the historical and contemporary social cultural context is same though geographical proximity is high. Sex myth related study mainly was confined in western hemisphere, and some oriental studies do not show geo-spatial variation of sex myth. This study reveals an inter-state spatial behavior of sex related myths. The prevalence of sex myths in college students suggest that serious attention needs to be paid to structured sex education.*

### KEYWORDS

Globalisation, Sex-Industry, Sex-Myth.

### INTRODUCTION

Most world religions have sought to address the moral issues that arise from people's sexuality in society and in human interactions. Each major religion has developed moral codes covering issues of morality, sexuality ethics etc. There are many laws and social customs which prohibit, or in some way have an impact on sexual activities. These laws and customs vary from country to country, and have varied over time. They cover, for example, a prohibition to non-consensual sex, to sex outside of marriage, to sexual activity in public, besides many others. Many of these restrictions are non-controversial, but some have been the subject of public debate. Most societies consider it a serious crime to force someone to engage in sexual acts or to engage in sexual activity with someone who does not consent. This is called sexual assault, and if sexual penetration occurs it is called rape, the most serious kind of sexual assault. The details of this distinction may vary among different legal jurisdictions. Also, what constitutes effective consent in sexual matters varies from culture to culture and is frequently debated. Laws regulating the minimum age at which a person can consent to have sex (age of consent) are frequently the subject of debate, as is adolescent sexual behaviour in general. Some societies have forced marriage, where consent may not be required. Our own cultural attitudes toward sexuality are far from universal. Sex is treated as a form of spiritual energy. Because Hinduism is a collection of many different approaches to life, it encompasses a number of different sexual philosophies. In some societies, a man's special obligation to a guest or a friend are discharged by an invitation to have sexual relation with his wife, listed eight cultural groups in which kissing was unknown, pointing out: "when the Thonga first saw Europeans kissing they laughed, expressing this sentiment: 'look at them- they eat each other saliva and dirt'.

### REVIEW OF LITERATURE

Allen (1990) has also reported a close relationship between acceptances of sex myths and felt sexual anxiety. It is irony that sex which forms so much an integral part of our lives is so difficult to be discussed and talked about in a rational manner (Kumar, 1992a). Goldenberg (1977) has rightly observed that there is probably no other area of our life which we care so much but know so little as sex. And whatever little we manage to know about sex during our childhood and adolescent years, we know it in bits and pieces through sources like friends, acquaintances and cheap sex books which tend to mislead us more than to provide a proper understanding of human sexuality and for this type of thinking and little knowledge about the sexuality drives our society towards the sex industry. There are many ideological influences on the sex industry and these vary by country and culture, but the growth of sex as a commodity is reflected in the increased use of sexual images in advertising, the rapid growth of the adult entertainment industry, virtual and real, and the widespread availability of pornography on the internet. This growing market in sex continues despite the actions of many governments, faiths, and social movements to try and regulate or abolish it. It may well be that at least some myths are promoted as warnings to inhibit sexuality. Well intended but ill informed parents may use sex myths to bolster moral training, and the emotion of guilt can come to inhibit not only sexual behavior but even seeking information about sexuality (Donald L.Moshe, 1979). Males in early adolescence in particular are exposed to homo-social peer discussions of sexuality that may be filled with exaggerations and distortions (Gagnon& Simon, 1973). Thus, males may learn more myths than females, and the different socialization of the sexes may involve the transmission of different myths.

### STATEMENT OF THE PROBLEM

The problem in this study deals with a concept that we are developing for ourselves from curious 15 year old titter on the slight knowledge of "Sex" to flamboyant young women who over the years have received knowledge from magazines and "experienced" friends. However, sex is a never ending topic for discussion. Just when you think you've aced it you realized that's not all there is to it. Sex industry has been affected by the Global changes in migration, health, employment, and public policy. In our India sometimes it is being encouraged by the sex myth. A sex myth is a false belief about sexual behavior or physiology that is either scientifically inaccurate or have questionable authenticity. Sex myths are never useful, and frequently they are baleful. While it can be argued that we live in an age of sexual enlightenment, there may be more heat than light in the sex lives of college men and women. Conservative views of sexuality are now

the norm in the modern republic of India, and South Asia in general. However, with increased exposure to world culture due to globalization, and the proliferation of progressive ideas due to greater education and wealth, India is beginning to go through a western-style sexual revolution especially in cosmopolitan cities. On the basis of these matters it would be tried to know that are college students who have progressed to more advance level of study less likely to endorse sex myth? Or alternately, does belief in sex myth? It is irony that sex which forms so much an integral part of our lives is so difficult to be discussed and talked about in a rational manner.

**OBJECTIVES OF THE STUDY**

- a) To study the college students who have progressed to more advance level of study less likely to endorse sex myth.
- b) To find out if college men and women of two different states, who believe in sex myths.
- c) To know the health hazards faced.
- d) To know the differences of acceptance of myths among girl and boys students.

**HYPOTHESES**

The present study was undertaken to find out if college men and women of two different states, who believe in sex myths. A sample of college students were asked to indicate their agreement with a series of statements reflecting their idea about some sex related questions. Purpose was to determine if acceptance of myths differed on man or woman of two states. Are there any differences of acceptance of myths among girl and boys students?

**METHODOLOGY**

Data were collected from two metro cities of selected states i.e. Raipur of Chhattisgarh and Kolkata of West Bengal. College students and university students are also interviewed. In case of Chhattisgarh Pt R S S University and its affiliated colleges e.g. Durga college of Raipur and Bhilai Maitry college of Bhalai and for West Bengal Calcutta University and it's affiliated college e.g. Bagnan college and Panskura Banamali college were purposely choosed. Both colleges are selected on the back ground of geographical spread i.e. Durga College and Bagnan College are urban centric college and Bhilai Maitry College and Panskura Banamali College are urban periphery based college.

A list of 23 items showing sex related myths was prepared taking help from sources like stone and stone (1967), Goldenberg (1977), Wrightsman (1977) and Mosher (1979) and following intensive interviews of a groups of 25 college going students. These myths items were submitted to 5 psychologists to assess if the given item clearly expressed a sex related myth, 23 items showing 100 per cent agreement among the judges were taken to form the sex myth checklist for the study. Of those 23 items, 8 items belonged to female related myths, 7 items belongs to male related myths and the remaining 8 items belongs to myths applicable to both sexes.

**SOURCES OF DATA**

**PRIMARY DATA:** Direct contact with the college students from Chhattisgarh and West Bengal and collecting the information by the college students through questionnaire.

**SECONDARY DATA:** Through journals, magazines, text books and website.

**LIMITATIONS OF THE STUDY**

The research study can never be devoid of biased responses and prejudices of the respondents. The limitations are

- 1. The research study is limited only to the colleges.
- 2. The research is bound with the time as there is a change.

**SEX MYTH SURVEY SCHEDULE**

TABLE 1

NO	Statement	True	False
1	Masturbation causes mental illness.	T	F
2	Masturbation causes impotency in men .	T	F
3	Masturbation is a sign of mental weakness.	T	F
4	Vasectomy inhabits sexual drive in men/women.	T	F
5	An intact hymen is a proof of that a woman is a virgin.	T	F
6	Semen is the essence of life; its loss damages one's health.	T	F
7	Sexually active women have large breasts.	T	F
8	Oral- genetic sex between a man and women indicates homosexuality	T	F
9	Sexually intercourse during of pregnancy harms the health of woman.	T	F
10	To enjoy best health, one should avoid sex.	T	F
11	Night discharge is an indication of sexual weakness.	T	F
12	Conception occurs when both man and woman experience simultaneous climax during sexual intercourse.	T	F
13	Conception occurs when both man and woman experience simultaneous climax during sexual intercourse.	T	F
14	Absence of hymen is a proof that a woman is not a virgin.	T	F
15	Most men lost their sexual drive around the age of 50.	T	F
16	Menopause terminates a women's sex life.	T	F
17	Blacks are sexually more potent than whites.	T	F
18	A large penis is a must for a women's sexual gratification.	T	F
19	The size of penis is directly proportionate to the body size of a man.	T	F
20	It is dangerous for man to have sexual intercourse during menstruation.	T	F
21	Having sex with a virgin rejuvenates one's body.	T	F
22	The size of penis determines the sexual potency of a man.	T	F
23	Over indulging in sex causes early aging.	T	F

**SCORING OF STATEMENT**

23 items sex myth check was administered to group of 100 college going student – 55 male and 45 female in the age bracket of 18-25 years. Since the entire checklist items were positively worded, an item scored in affirmative was given a score of 1. The sum total of affirmative answer gave the total sex myth score for the person.

27 percent of Ss with the highest and 27 percent Ss with the lowest sex myth score served as criterion groups for item- analysis. 23 items showing discrimination value of . 26 or above were finally selected to form the sex myth checklist (Garrett, 1962)

A numerical value of 1 is assigned to all the items answered to all the items answered as true. The total score thus varies from 0 to 23, giving the lowest to the highest myth score for the person.

TABLE 2

Sl no.	Areas	Items no	Total
1.	Male related myth	6,11,15,18,19,21,22	7
2.	Female related myth	4,5,7,9,14,16,17,20	8
3.	Both sex related myth	1,2,3,8,10,12,13,23	8
			23

ITEM DISTRIBUTION TABLE

Results: the mean, median and SD for the sample (N=100) were found to be 11.14, 11.50 and 4.05. The distribution appears to be slightly negative skewed.

TABLE 3

Mean	Median	SD	Skewness
11.14	11.50	4.05	-26

Showing mean, median and SD (N=100)

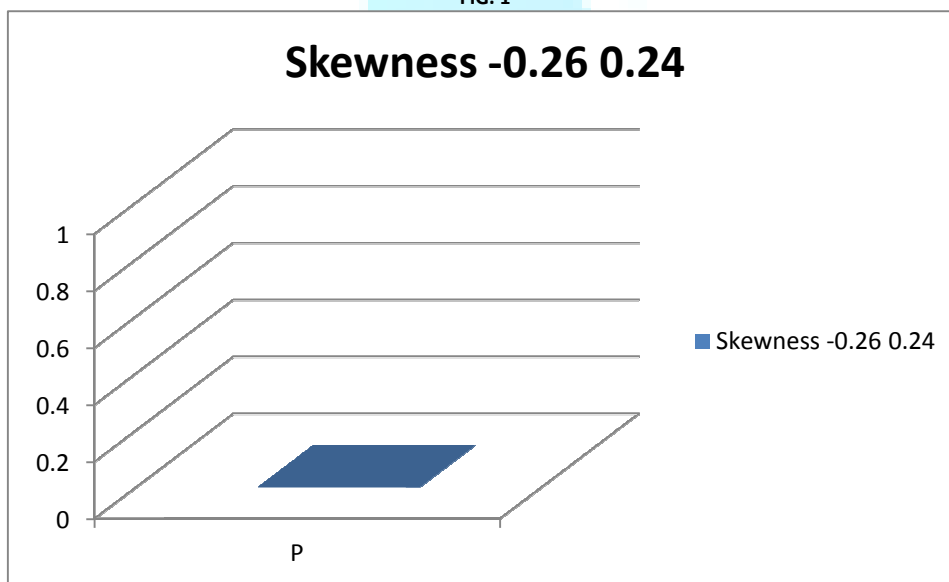
The standard error (SE) of mean, median and SD and Skewness has been found to be less than 1.98, .05 level of significance, showing that the sample does not differ from normality.

TABLE 4

INDICES	VALUE	SE	P
Mean	11.14	.41	NS
Median	11.50	.51	NS
SD	4.05	.28	NS
Skewness	-.26	.24	NS

Showing SE of mean, median, SD and Skewness.

FIG. 1



STUDY POPULATION SAMPLE

Participants were chosen from four stages on the basis of availability and willingness to take part in the study Recruitment for in-depth individual interviews was based on random sampling from the initial 221 participants. The mean self-reported age of the participants was 23 (range 17–25) years old. Education levels were mostly high 69% had attained some tertiary education, 28% had attained some master’s education, and only 3(1.4%) participants had technical training.

PROCEDURE

We employed two data collection techniques, namely a structured questionnaire yes or no option and oral questioning. Triangulation of qualitative and quantitative methods acted as a check on validity and reliability of data collected. All data were collected in the local language Bengali in case of West Bengal and Hindi for Chhattisgarh. Students were instructed orally, on the consent form, and again at the beginning of the questionnaire to complete the survey in a private place and not to let anyone see their answers. They were asked to return the questionnaire within next two days and to place the surveys and signed consent forms in separate collection boxes.

RESULT

From the mean of sex myth west Bengal boys and Chhattisgarh boys are 13.73 and 14.04 respectively. Having a pooled standard deviation 4.41 and standard error mean difference is 0.62, the obtained value ‘t’ value is 0.50, is insignificant at 0.05 level where df is 198. Hence, the hypothesis is accepted. It’s says that there does not exist significant different between west Bengal boys and girls and Chhattisgarh boys and girls regarding sex myth. From the mean of sex myth west Bengal boys and Chhattisgarh boys are 13.73 and 14.04 respectively. Having a pooled standard deviation 4.36 and standard error mean difference is 0.87, the obtained value ‘t’ value is 0.12, is insignificant at 0.05 level where df is 98.Hence, the hypothesis is accepted. It’s say that there does not exist significant different between west Bengal boys and Chhattisgarh boys regarding sex myth. From the mean of sex myth in West Bengal boys and Chhattisgarh boys are 13.73 and 14.04 respectively. Having a pooled standard deviation 4.50 and standard error mean difference is 0.90, the obtained value ‘t’ value is 0.80, is insignificant at 0.05 level where df is 98. Hence, the hypothesis is accepted. It’s says that there does not exist significant different between West Bengal boys and Chhattisgarh girls regarding sex myth.

DISCUSSION

The present results demonstrated that inaccurate sexual information and beliefs in sex myths are too common in college students respective state boundary . Mythic beliefs about sex can only promote human suffering, since sexuality is both biologically and psychologically central to human living. The enculturation of humans into sexuality often proceeds without open discussion and frequently occurs in a context of negative emotions and negative injunctions. Sources of information about sexuality and sexual health included peers, siblings, films, radio, and to a lesser extent newspapers,

magazines, and posters in hospitals. The formal education system was hardly mentioned, perhaps due to the low levels of conservative attitude, as the majority had no exposure. Social norms proscribe against parents discussing sexuality with children. Peers were the predominant informers— providing both approval and disapproval about sexual choices made by parents and consultation in case of unwanted pregnancy or STDs. The film was a favorite for many because of the visual aspect. Kinsman, Nyanzi, and Pool (2000) discussed these films among the category of socializing influences mentioned by adolescents in the same study area. Radio provided information, although its content was criticized on grounds of being shallow, not catering to men's interests, broadcasting at unsuitable times, lack of visibility, and the cost of batteries. Transference of health education information through the print media (which government and development organizations employ) is hindered. Many participants thus miss or misinterpret the written word. The main problem is inaccessibility of accurate information. The media of communication do not get to the level of this particular population, which results in frequent miscommunication.

## CONCLUSION

From above discussion it is much cleared that the mystery about the sex is main reason to do wrong thing. The moral values are now absent in our society. Sexual myth and the little knowledge or wrong information about the sex drives our society to sex industry. To meet the need of sexual demand of men which is generally being created from the wrong perception about the sexuality, women are being used and exploited by the male dominated society. But the tradition, culture and religion of our India do not support this type of system. Indian tradition, culture and religion do believe in a prohibition to non-consensual sex, to sex outside of marriage, to sexual activity in public, besides many others. Many of these restrictions are non-controversial, but some have been the subject of public debate. Most societies consider it a serious crime to force someone to engage in sexual acts or to engage in sexual activity with someone who does not consent. This is called sexual assault, and if sexual penetration occurs it is called rape, the most serious kind of sexual assault. The sexual assault or the rape is happening everywhere of India. The ratios of sexual harassment on women are increasing day by day. National Crime Records Bureau or NCRB in their report stated that in West Bengal crime against women has been reached in the number of 30942 in the year of 2012. Mystery about the sex and the sex myth drives male and female basically the youth towards the watching of porn movies or blue films. For the selling of porn movies or blue films India is a big market. Sex myth and the mystery about the sex are increasing the demand of sexuality among male and female youth. It also encourages the prostitution. Men and women who exchange sex for money have always been at risk of sexually transmitted infections.

Instead, the messages within socio-cultural myths, peer influence, experience, commercial videos and films, and to a less extent radio are the foundational influences that shape knowledge about and attitudes toward sexuality and sexual health. The prevalence of sex myths in college students and the relation of sex myths suggest that serious attention needs to be paid to structured sex education and values clarification to complement and amend the haphazard and sometimes pernicious adolescent enculturation into sexuality. In particular, the hypothesized influence of the male peer group in learning sex myths requires further investigation and consideration.

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## APPLICATION OF RESTRICTED LEAST SQUARES TO ECONOMETRIC DATA

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## ABSTRACT

Among numerous model misspecification problems in linear model is the one caused by the inclusion of unnecessary predictors in the model or by omitting the necessary ones out (Gujarati and Sangeetha, 2007). By applying standard results from restricted least squares estimation, insight can be gained about the behaviour of ordinary least squares estimates and associated tests when the restrictions imposed in the model are not true in the population (Esteban and O'Brien, 1992). This paper applies the "F-test" approach of Restricted Least Square (RLS) on Nigerian economy to find out if the linear restriction of Cobb-Douglas production function's parameters  $(\beta + \vartheta) = 1$  is significant to Nigeria economy. The result of the research shows that the Nigerian economy is probably characterized by constant returns to scale over the reviewed period and therefore, using the restricted regression as stipulated by Cobb-Douglas function may not be misleading. Hence, if Capital/Labour ratio increased by 1 percent, on average, labour productivity went up by about 1 percent.

## KEYWORDS

Restricted Least Square, Cobb-Douglas, Returns to Scale.

## INTRODUCTION

In statistical inference, a critical component is the specification of the correct statistical model. Normal-theory linear modeling courses typically study the consequences of some forms of model misspecification. Among numerous model misspecification problems in linear model is the one caused by the inclusion of unnecessary predictors in the model or by omitting the necessary ones out. This research observes the original works of (Cobb and Douglas, 1928) and some other developmental works of different researchers by applying the F-test procedure of Restricted Least Squares on Econometric data. In economic, the Cobb-Douglas functional form of production is widely used to represent the relationship of output and two inputs. It was developed and tested against statistical evidence by Charles Cobb and Paul Douglas during 1900 – 1947, (Douglas, 1976). Earlier researchers like (Brown, 1966); (Sandelin, 1976); and (Samuelson, 1979) had indicated that the credit should have been given to Wicksell for its discovery since he started working on it in the 19th century. (Weber, 1998) notes that Wicksell employed the Cobb-Douglas functional form in production analysis, twenty years earlier. Weber also notes that Pareto used the Cobb-Douglas functional form to represent Utility in 1892. The estimation of the parameters of aggregate production functions is central to many of today's works on growth, technological change, productivity, and labour. Empirical estimates of aggregate production functions are essential tools of analysis in macroeconomics, and important theoretical constructs, such as potential output, technical change, or the demand for labour, are based on them, (Felipe and Adams, 2005).

In its most standard form for production of a single good (output) with two factors (inputs), the Cobb-Douglas function is:  $Y = AL^\beta K^\theta$

Y = total production

A = Total factor productivity

L = Labour input

K = Capital input

$\beta$  and  $\theta$  = output elasticities of Labour and Capital respectively

Cobb and Douglas were influenced by statistical evidence that applied to show that labour and capital shares of total output were constant over time in developed countries. They explained this by statistically fitting least squares regression of their production function, (Gujarati and Sangeetha, 2007).

In stochastic form, Cobb-Douglas function becomes:

$$Y_i = \alpha X_{1i}^\beta X_{2i}^\theta e^{u_i} \quad (i)$$

## PROPERTIES OF COBB-DOUGLAS PRODUCTION FUNCTION

$\beta$  is the (partial) elasticity of output with respect to the labour input, that is, it measures the percentage change in output for, say, a 1% change in the labour input, holding the capital input constant.

$\theta$  is the (partial) elasticity of output with respect to the capital input, holding the labour input constant.

The sum  $(\beta + \theta)$  gives information about the returns to scale, that is, the response of output to a proportionate change in the inputs.

If the sum is 1, then, there are constant returns to scale, that is, doubling the inputs will double the output, tripling the input will triple the output, and so on.

If the sum is less than 1, there are decreasing returns to scale – doubling the inputs will give less double the output.

If the sum is greater than 1, there are increasing returns to scale – doubling the inputs will give more double of the output.

Output elasticity measures the responsiveness of output to a change in levels of either labour or capital used in production, ceteris paribus. If  $(\beta + \theta) = 1$ , the production function has a constant returns to scale (i.e. the production output increases by a constant factor). This implies that doubling capital (K) and labour (L) will yield double output (Y). If  $(\beta + \theta) < 1$ , returns to scale are decreasing, and if  $(\beta + \theta) > 1$ , returns to scale are increasing.

## LITERATURE REVIEW

(Greene and Seaks, 1991) obtained expressions for the restricted least squares estimator and its covariance matrix in the classical regression model when the matrix of regressors is not necessarily of full rank. The standard expressions for the restricted least squares estimator were not usable in the short rank case because they rely on the unrestricted estimator. But, in the presence of restrictions, their paper showed that the restricted least squares estimator may be computable even if the unrestricted estimator is not. The authors' derivation produces some additional, useful algebraic results for least squares computation (Kee, 2009) provides a consistent estimate of the bound of the marginal effect of an unobserved right-hand side variable on the dependent variable when only the sum of that variable with a positively correlated variable is available.

(Wan et al., 2007) said that traditional econometrics has long stressed the serious consequences of non-spherical disturbances for the estimation and testing procedures under the spherical disturbance setting, that is, the procedures become invalid and can give rise to misleading results. They opined that this is not unusual, however, to find that the parameter estimates do not change much after fitting the more general structure. This suggests that the usual procedures may well be robust to covariance misspecification. Their paper investigated the sensitivity of the restricted least squares estimator to covariance misspecification where the restrictions may or may not be correct.

(Haupt and Oberhofer, 2002) presented a comprehensive approach to estimation and hypothesis testing under a set of full restrictions, some of these arising from adding-up conditions on the endogenous variable. In contrast to the existing statistical literature, the paper used an argumentation style familiar from classical econometric textbooks, to provide an insightful, straightforward, and nevertheless rigorous exposition of the topic.

(O'Donnell, 2006) opined that Economic theory often provides information on the variables to be included in economic relationships (e.g., demands are functions of prices) and sometimes provides information on the signs and magnitudes of first- and second-order derivatives (e.g., homogeneity and concavity information) but this rarely provides information concerning functional forms. In the absence of this information, it is common to assume a specific functional form (e.g., translog) and subsume errors of approximation into a disturbance term. Unfortunately, the estimated parameters of these approximating relationships do not consistently estimate the economically-relevant characteristics of the true relationship unless the latter is of the approximating class (White, 1980). Practical econometric solutions to the problem are now becoming available. His paper discussed Kernel Regression (KR), Flexible Least Squares (FLS), Generalized Restricted Least Squares (GRLS) and Latent Class (LC) estimators. The empirical performance of all four estimators was assessed using an artificially-generated data set. Three of the estimators were then used to estimate characteristics of a labour demand function for US agriculture.

(Faliva and Zoia 2000): In this paper a novel partitioned inversion formula is obtained in terms of the orthogonal complements of off-diagonal blocks, with the emblematic matrix of unit-root econometrics springing up as the leading diagonal block of the inverse. On the one hand, the result paves the way to a stimulating reinterpretation of restricted least-squares estimation and, on the other, to a straightforward derivation of a key-result of time-series econometrics.

(Elias, 1992) in (Gujarati and Sangeetha, 2007) used Restricted Least Squares to observe Mexican Economy from 1955 – 1974. Using data on the country's Gross Domestic Product, Employment (labour), and Fixed capital, they found that Mexican economy was probably characterized by constant returns to scale over the sampled period and concluded that using Restricted Least Squares obtained for the data set could not be harmful. They also observed that increasing capital/employment ratio by 1 percent, on the average will increase the labour productivity by about 1 percent.

(Abidemi, 2010) examines productivity in the banking sector by way of estimating two major production functions known in the economic literature. The result obtained from the Ordinary Least Square (OLS) estimates shows that substitution parameters  $\alpha$  and  $\beta$  (substitution parameters for capital and labour, respectively) confirms the a priori expectation that the duo of  $\alpha$  and  $\beta$  are positive values of less than one. He found that the addition of the values of  $\alpha$  and  $\beta$  is greater than one, which indicates that as the banking sector doubles its inputs in terms of capital and labour, the output in terms of deposit will be more than doubled. He also observes that the substitution parameters in the Constant Elasticity of Substitution Production Function were equally positive, which supports the theory. In his final analysis, his study supports economic theory on the specification of both Cobb-Douglas and Constant Elasticity of Substitution production functions.

(Liedholm, 1964) was the first work to be done on productivity in Nigeria by attempting to find out between labour and capital, which input contributed more to the output of major industries in Eastern Nigeria and it was found that labours' contribution to the output of the selected manufacturing industries was larger than that of capital. This position was confirmed by (Osagie and Odaro, 1975).

(Ekanem and Oyefusi, 2000) estimated the Cobb-Douglas and the Constant Elasticity of Substitution (CES) production functions for the manufacturing industry in Nigeria for the period 1980 – 1997, taking into consideration the phenomenon of idle capacity that has characterized the industry at the time. The results of the models when compared with the work of (Liedholm, 1964) and (Osagie and Odaro, 1975) gave satisfactory results in terms of goodness of fit. Of the two production functions estimated, the Cobb-Douglas Production Function performs better considering all the relevant econometric test criteria. This then showed that the Cobb-Douglas Production Function gives a better explanation of the aggregate production process in the manufacturing industry in Nigeria for the period studied.

## MATERIALS AND METHOD

The dataset used for this research work obtained from World Bank data files (Total Labour Force of Nigeria 1990 – 2009) and Central Bank of Nigeria's Statistical Bulletin, 2011 (Real Gross Domestic Product and Capital expenditure)

Writing (i) in log form, the equation becomes:

$$\ln Y_i = \ln \alpha + \beta \ln X_{1i} + \theta \ln X_{2i} + u_i \quad \text{(ii)}$$

$X_1$  is Labour,  $X_2$  is Capital and  $Y$  is GDP

$$Y_i = \alpha + \beta \ln X_{1i} + \theta \ln X_{2i} + u_i \quad (\ln \alpha = \varphi) \quad \text{(iii)}$$

If there are constant returns to scale (equiproportional change in output for an equiproportional change in the input), economic theory suggests that  $\beta + \theta = 1$ . This is a form of linear equality restriction. In order to examine the validity of (ii), there are two possible approaches.

**The F-Test Approach (Restricted Least Square, RLS)**

The t-test approach is post-mortem in that it only finds out whether the linear restriction is satisfied after estimating the unrestricted regression. However, the F-test approach incorporates the linear equality restriction into the estimating procedure at the outset.

Since  $\beta + \theta = 1$ , hence  $\beta = 1 - \theta$ . Substituting  $(1 - \theta)$  for  $\beta$  in (iii) gives:

$$\ln Y_i = \varphi + (1 - \theta) \ln X_{1i} + \theta \ln X_{2i} + u_i$$

$$\ln Y_i = \varphi + \ln X_{1i} - \theta \ln X_{1i} + \theta \ln X_{2i} + u_i$$

$$(\ln Y_i - \ln X_{1i}) = \varphi + \theta (\ln X_{2i} - \ln X_{1i}) + u_i$$

$$\ln(Y_i/X_{1i}) = \varphi + \theta \ln(X_{2i}/X_{1i}) + u_i \quad \text{(v)}$$

Variables  $(Y_i/X_{1i})$  and  $(X_{2i}/X_{1i})$  are of great economic importance since  $(Y_i/X_{1i})$  measures the ratio of the output with one of the inputs and  $(X_{2i}/X_{1i})$  compares one of the input variables with the other. Once  $\theta$  can be estimated from (v),  $\beta$  can be estimated using  $\beta = 1 - \theta$ .

The overall implication of this is that the procedure ensures that sum of the estimated coefficients of the two inputs equal 1 and hence, the name "Restricted Least Squares, RLS". The generalization of this procedure into more than one linear equality restriction is explained by (Theil, 1971).

**Examining the validity of RLS**

The validity of the Restricted Least Squares can be examined by applying F-test where

$$F_{cal} = \frac{(SSE_R - SSE_{UR})/a}{SSE_{UR}/(n-k)} \quad \text{(vi)}$$

$SSE_R$  is the sum of squares of error for restricted regression in (v)

$SSE_{UR}$  is the sum of squares of error for unrestricted regression in (iii)

$a$  is number of linear restriction ( $a = 1$  in Cobb-Douglas function)

k is the number of estimated parameters in (iii)

n is the number of observations

The  $F_{cat}$  is compared with  $F_{table}$  with  $[a, (n - k)]$  degree of freedom at specified level of significance with the null hypothesis,  $H_0$ : The Restricted Least Squares (RLS) is not significant. If the RLS is not significant, the economy is probably characterized by constant returns to scale over the sampled period and hence, there may be no harm in using the restricted regression in (v).

## RESULTS

Fitting the Cobb-Douglas production function to the data on Nigeria's Gross Domestic Product (GDP), Capital and total labour force from 1990 to 2009 gives:

$$\ln \widehat{GDP}_t = -129.439208 + 8.095468 \ln Labour_t + 0.253359 \ln Capital_t \quad \text{(vii)}$$

$$t = (-7.609275) \quad (7.644071) \quad (1.951656)$$

$$P\text{-value} = (0.000001) \quad (0.000001) \quad (0.067654)$$

$$\text{Std Err.} = (17.010715) \quad (1.059052) \quad (0.129817)$$

$$R^2 = 0.978207 \quad \hat{RSS}_{UR} = 38.525827 \quad \hat{SSE}_{UR} = 0.858280$$

The equation above (vii) shows that the output/labour elasticity is about 8.10 and the output/capital elasticity is about 0.25. If we add these coefficients, we obtain 8.36, indicating that the Nigeria economy has a very high increasing returns to scale. As high as this value, it is very essential to subject this finding to statistical hypothesis. Imposing the restriction of constant returns to scale gives the following result:

$$\ln(\widehat{GDP}/Labour)_t = 3.785507 + 1.190436 \ln(Capital/Labour)_t \quad \text{(viii)}$$

$$t = (6.845303) \quad (11.321751)$$

$$P\text{-value} = (0.000002) \quad (0.000000)$$

$$\text{Std Err.} = (0.553008) \quad (0.105146)$$

$$R^2 = 0.876866 \quad \hat{RSS}_R = 28.169922 \quad \hat{SSE}_R = 3.955770$$

\* UR  $\rightarrow$  Unrestricted Regression  $\hat{\wedge}$   $\rightarrow$  Restricted Regression

Since the independent variables in (vii) and (viii) differ,  $F_{cat}$  in (vi) is used to obtain F-value

$$F_{cat} = \frac{(SSE_R - SSE_{UR})/a}{SSE_{UR}/(n - k)} = \frac{(3.955770 - 0.858280)/1}{0.858280/17} = 3.60895$$

The  $F_{cat}$  follows the *F-distribution* with (1, 17) degree of freedom. Hence,  $F_{cat}$  is significant at both 1% (8.40) and 5% (4.45) level.

## CONCLUSION

The conclusion then is that the Nigerian economy is probably characterized by constant returns to scale over the sample period and therefore, using the restricted regression as stipulated by Cobb-Douglas function may not be harmful. Hence, if Capital/Labour ratio increased by 1 percent, on average, labour productivity went up by about 1 percent over the sampled period.

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FIG. 1

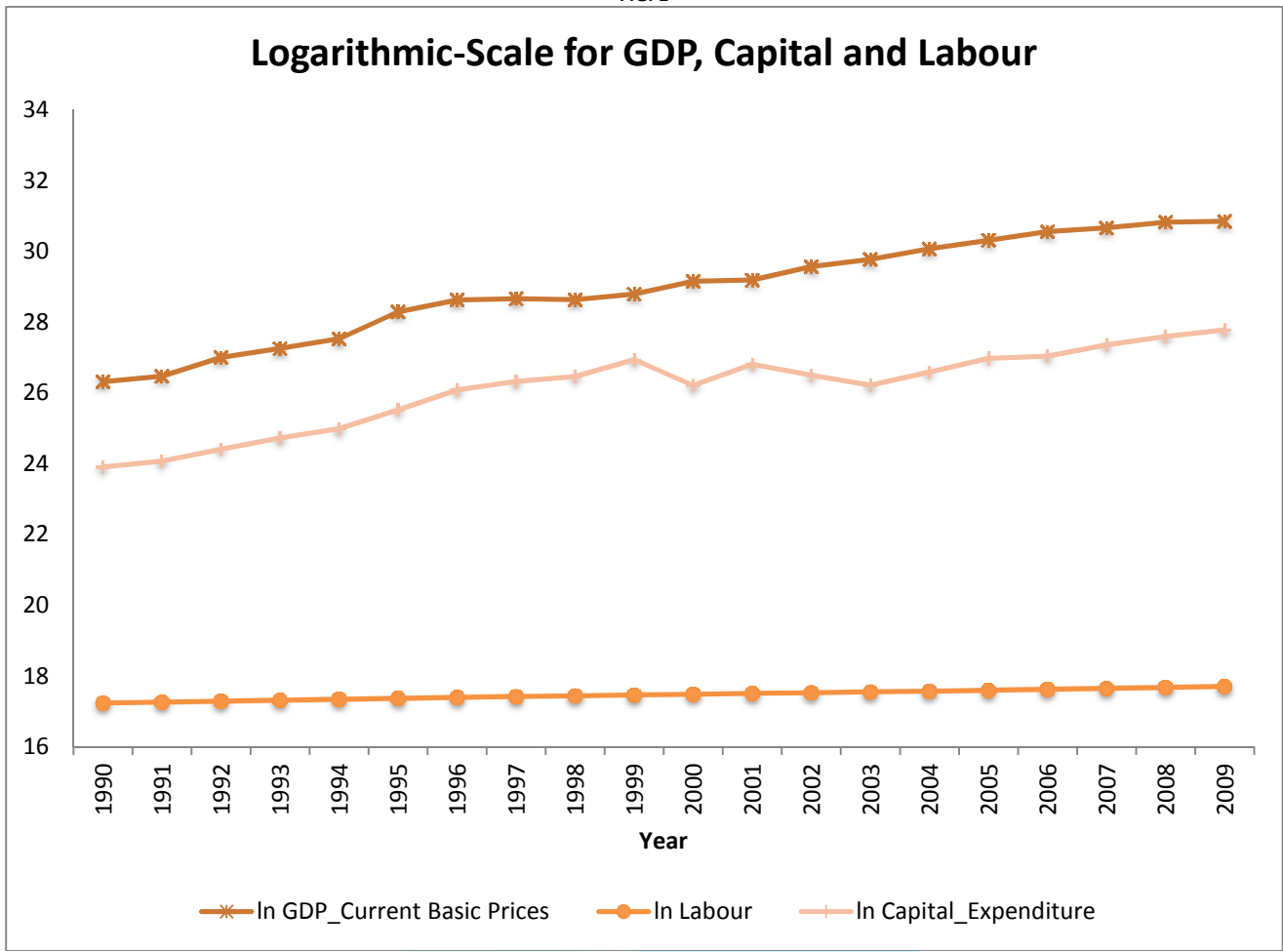
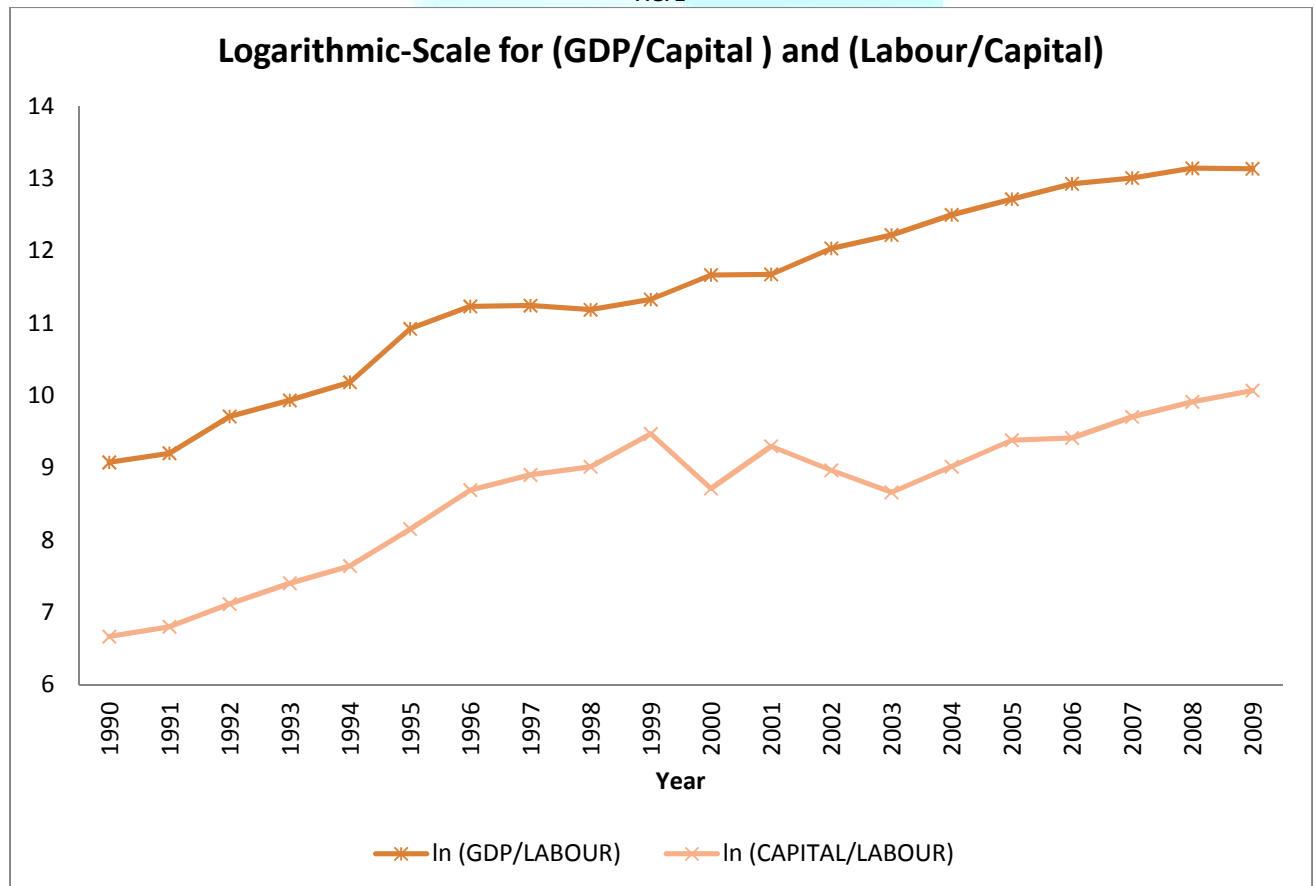


FIG. 2





## EFFECTIVENESS OF INTERNAL CONTROL SYSTEM OF ETHIOPIAN PUBLIC UNIVERSITIES: THE CASE OF JIMMA UNIVERSITY

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### ABSTRACT

*The research is aimed at assessing the effectiveness of internal control in public universities in Ethiopia by taking Jimma University as a case study. Both primary and secondary data was relied to achieve the purpose of the study. The primary data was collected through questionnaire while the secondary data obtained from minutes, audit reports and documents. Descriptive analysis was employed to see the attitude of employees towards the effectiveness of overall internal control and chi-square test are relied upon to see whether the response varies across demographic characteristics. The test indicated that there is no significant attitude difference among employees in most of the cases. Both the individual response and desk research indicated that the internal control system in public Universities in Ethiopia is not effective for which Jimma University is not special. More specifically, inadequate risk assessment practice, poor internal control over physical and financial resources, poor human resource management practice, inappropriate information management, and loose monitoring and control practices are the critical areas that need the focus of the management of the university.*

### KEYWORDS

Internal control effectiveness, Public Universities, Jimma University, Ethiopia.

### 1. INTRODUCTION

Higher education institutions are responsible for the creation of vital human resources for achieving socio-economic development of a nation. The knowledge and skill that are essential for the change of every nation are created, adopted and disseminated by higher institutions. These and other objectives of higher education can be attained with the presence of not only adequate resources, but also with efficient and effective utilization of human, material (movable and fixed) and financial resources. With regard to the availability of the resources, Ethiopia's focus on education for the accomplishment of the Millennium Development Goal (MDG) forces the government to allocate substantial amount to the education sector in general and to higher education in particular. According to Ministry of Education (MoE) report (2010), Ethiopia's investment in higher education has been growing over the past years and reached 4.0 percent of its GDP. V. J. Ravishankar et al., (2010) witnessed that Ethiopia spends a sizable share of GDP on education, which is high in international standards, relative to her level of per-capita income. The researcher further indicated that "Ethiopia spends to education sector significantly more than India, whose per-capita income is almost four times as much and only a little less than South Africa whose per-capita income is more than 14 times that of Ethiopia".

Office of the auditor General (OFAG) budgeting huge amount of money will not ensure the efficiency of performance and attainability of the educational objective of the country. To achieve the objectives the higher education sector, the resources should be utilized properly. For this purpose designing and implementing appropriate internal control mechanism is of significant importance. However, the audit institutions and other concerned organizations are claiming that the internal control mechanism in most organizations including higher education sector is rudimentary.

A report by the Office of Auditor General, mandated to conducted audit of institutions under the federal government indicated that, most of audited entities perpetually failed to maintain auditors' expectations. The OFAG report (2011) revealed that of 71 organizations, only to 5 organizations were found with clean (unqualified) audit report. This is because in most of the organizations the internal control system is lax and the management failed to fully discharge their stewardship responsibility to the public money. As per the same report, most organizations including ministry of education and some universities under its supervision are exposed to adverse irregularities in procurement handling, financial mismanagement, and/or poor property management practices.

As it is known, the ministry of education is giving due attention to higher education sector and much of the resource is being allocated to it. Therefore, the utilization of these resources to meet the objective is the focal point. Hence, to enable higher education achieve their objectives, there should be a strong internal control that can provide reasonable assurance to the management discharges its responsibility as through ethical, efficient, effective operation and deliver quality service to citizens.

This study therefore, was motivated to assess the effectiveness of internal control in public universities in Ethiopia by taking Jimma University as a case study. The study is believed to contribute to the process of enhancing internal control system of public universities in Ethiopia. Moreover, the study contributes to accounting and auditing literature by showing the context of public universities in least developing countries.

### 2. OBJECTIVE OF THE STUDY

The objective of this study was to assess the effectiveness of internal control system of public universities in Ethiopia by taking Jimma University as a case study. The Specific objectives of the research include the following:

1. To know whether the attitude of Respondents regarding the effectiveness of internal control vary along with the variation in the demographic characteristics such as age, gender, position held, work experience and academic qualifications.
2. To see the attitude of employees towards the effectiveness of the overall internal control system in Jimma University

### 3. REVIEW OF RELATED LITERATURES

#### 3.1. CONCEPT AND IMPORTANCE OF INTERNAL CONTROL

"Internal control is a management tool used to provide reasonable assurance that management objectives are being achieved." Guidelines for Internal Control Standards, INTOSAI, 2004). It is also explained on the integrated internal control guideline, developed by the Committee of Sponsoring Organizations of the Tread way Commission (COSO) in the united states of America and highly adapted and adopted by other countries both in the private and public sector, "Internal

control is broadly defined as a process, effected by the entity's board of directors, management and other personnel, designed to provide reasonable assurance regarding the achievement of objectives in the following categories:

1. Effectiveness and efficiency of operations.
2. Reliability of financial reporting.
3. Compliance with applicable laws and regulations."

The above stated concepts of internal control indicate that managers are primarily responsible to establish an effective internal control for their organizations so as to discharge their stewardship responsibility over the use of government resource. The role of managers promoting effective internal control system has paramount importance in ensuring effective internal control system. This is because the way managers understand the need for designing, implementing, and management of internal control system, built it in the organizational facility, communicating it well to the employees, strictly adhering to it and ensuring that it is accepted as organizational culture and value can result in either strong or lax internal control.

As pointed out by Angella & Eno.L (2009), the absence of or weak internal control was identified as the cause for organizational failure. Similarly, Natan (2011) also emphasized the importance of rigor internal control system. According to Natan, in public organizations where resource required to serve public interest is limited, but misused and embezzled, strong IC system is essential to ensure efficient and effective use of resource to maximize societal welfare. The importance of EIC in public sector is therefore, very significant for efficient and effective utilization of public money and delivering acceptable service to citizenry due to the fact that, it, along other public sector control mechanisms, can enhance transparency and accountability as well as promotes efficiency in public sector. (Angella & Eno.L, 2009; Natan, 2011)

According to Angella & Eno.L (2009) effectiveness internal control in public sector especially in developing countries in Africa where the rate of public sector corruption shockingly high is worth demanding academic interest, but few has been done. Hence, the current study could contribute for existing literature in addition to its contribution for strategic and operational decision on public universities in Ethiopia.

### 3.2. MEASURING EFFECTIVENESS OF INTERNAL CONTROL SYSTEM

Effectiveness has been presented as a necessary dependent variable in contingency research as it provides the means to determine the appropriate fit between control and organizational variables (Langfield-Smith, 1997; Otley, 1980). The definition of the effective internal control system is taken from the internal control frameworks; for example COSO (1994) states that internal control can be judged to be effective when the board of directors and management have reasonable assurances that: they understand the extent to which the entity's operations objectives are being achieved, published financial statements are being reliably prepared, and the applicable laws and regulations are being complied with. Thus, the effectiveness of internal control is defined in terms of management's perceptions of how well the internal control objectives are achieved.

Bishop, W. G., III (1991), point out that internal control must be evaluated in order to provide management with some assurance regarding its effectiveness. Internal control evaluation involves everything management does to control the organization in the effort to achieve its objectives. Internal control would be judged as effective if its components are present and function effectively for operations, financial reporting, and compliance. Internal stakeholders the board, management and internal auditor as well as individual employees are responsible to ensure that the internal control system is operating as intended.

Following the growing internal governance and internal control failure in corporate world in developed and developing countries as well the prevailing high rate of corruption in public sector in most of the developing countries, evaluation of internal control effectiveness has got the attention of academics and research. (Angella & Eno. L, 2009). Researches that aimed to evaluate the effectiveness of IC are nonarguably useful on providing feedback to the management and other responsible authority to design and implement an internal control structure that can ensure that the organization's objectives attained in a legally founded process and operation that can go in line with the policies, procedures, and other applicable regulatory frame work.

The growing number of research in evaluating effectiveness of internal control system either in private (Angella & Eno. L, 2009) and public organizations used different research strategies of quantitative and qualitative nature founded in accounting and auditing theories. Both the theories in IC and empirical studies so far reviewed depended on Internal control effectiveness guidelines developed by the "Committee of Sponsoring Organizations of the Treadway Commission, a group of several accounting organisations." (INTSO) that published a significant study on internal control titled Internal Control Integrated Framework in 1992 which commonly referred as COSO. (ibid)

The international organization of Supreme Audit institutions, which an association consists of government audit institutions in different part of the world, also adopted the COSO frame work to be used in evaluating effectiveness of government institutions in 1992. The current study, hence, followed a theoretical framework that assumed that effectiveness of internal control system in public organization should be evaluated to ensure that the five major components of an effective Internal control system: control environment, risk assessment, control activities, information and communication built in the management of an organization. It was assumed that the five components are tailored to the context of public university in Ethiopia and are effective in ensuring attainment of internal control objectives.

## 4. RESEARCH DESIGN & METHODOLOGY

A descriptive case study design were employed in order to ascertain and able to describe components of internal controls system and their contribution to control in public university context. Both qualitative and quantitative research approaches were used to analyze data gathered from various secondary sources such as reports of the Office of Auditor General, minutes of external audit meeting, and other related literatures. In addition a survey of self administered questionnaire were also used to gather primary data from managers and employees at administrative and academic wings of the university selected using judgemental sampling techniques. The questionnaires contain six major parts. The first part is concerned with the demographic characteristics of the respondents. The second part is devoted to the control environment containing 10 questions, the third part is regarding the risk assessment practice that consists of 6 questions, the fourth part deals with the control activities over payroll and non payroll payments, assets management and human resource practices obtained through a total of 62 questions, the fifth part is about the information management practice obtained by 8 questions and the last part is concerning the monitoring practice assessed with 5 questions. In order to increase the reliability of the questions, a Cronbach alpha test was made and also to increase the validity, it was commented by different professionals who do have in-depth knowledge on auditing and internal control.

## 5. RESULTS AND DISCUSSIONS

This section presents the data analysis result and discussions. The first section presents the results of desk research and the second section is the result and discussion of questionnaire survey.

### 5.1. DESK RESEARCH

Office of the Auditors General reported to the house of the parliament the finding of the financial, compliance and performance audit of ministries, other agencies in the federal government, regional state programs financed by federal government budget. On its report of 2008 it disclosed that there are lots of findings on the financial administration and internal control system of government entities so far audited, these mainly includes: utilization of budget without the approved limit and heading, poor fixed asset management, payments effected without a complete and authorized documents, inadequacy of the internal control system to detect and correct failures in control activities on cash, inventory, fixed asset, procurement and human resource management aspects, among other things. The identified audit findings showed that financial and other resource management is vulnerable to corruption and miss utilization of assets.

According to the report, of 71 audits performed in federal government agencies, the OFAG issued 5 unqualified audit reports and 51 qualified audit reports. However unqualified audit reports entail some audit findings as a qualification points it is doesn't affect the acceptability of the annual report as a whole. The remaining reports contained 10 adverse opinions, which are negative audit opinions due to significant deviations from the accepted norms of public financial administration rules applicable in Ethiopia, accounting standards and weak internal control system that attributed to identified failures, and 5 disclaimer opinions, which showed that the auditors faced difficulty to gather and evaluate audit evidence so as to come up with audit reports. The results indicates that

only 7 % of the organizations under audit discharged their responsibility to the fullest and 72% of them demand top management attention to improve their financial administration and internal control system so that they can change their audit report status from qualified to unqualified or net reports like the very few (7%). The critical situation in the remaining organizations that falls under adverse and disclaimer opinions category accounted 14 % and 7% respectively. In general, the analysis of OFAG reports indicates that about 93% of audited organizations under the federal government failed to discharge their responsibility to the fullest.

The organizations under problematic audit result included the Ministry of Education and some of the universities under its jurisdiction. Taking into account the gigantic budget allocated to education sector and especially very significant to the growing higher education system in this country the audit findings are indicative for rigorous corrective actions from the management, board and employee of each individual organization as they are legally required to ensure that the business of their organization is performed in line with the legal framework. In this regard the current study is useful as it aimed at finding out internal control related problem of which some are stated on audit reports of OFAG.

Being cognizant the criticality of the financial and other resource management problems in the higher education sector in Ethiopia and the possible favorable conditions for corruption, the Federal Ethics and Anti corruption Commission (FEACC) organized a conference on procurement related issues of public higher institutions in Ethiopia on September 2012 where in different stakeholders including commissioners and other professionals of FEACC, MoE and the top management, finance and procurement professional and internal auditors, and ethics and anticorruption officers of all universities and other reverent stakeholders participated.

On the conference various papers were presented and discussions were held and the result of the conference pointed out some major problems of resource management, procurement and related internal control mechanisms limitations in Ethiopian higher institutions. The major points raised are summarized as follows:

- Lack of transparency and weak contract administration on large construction projects which resulted cost and time overrun, miss use of resources and opens up opportunity for corruption
- Procurement process of goods, services and construction project contracts violates basic public sector procurement related rules and regulations
- Weak asset management
- Human resource management practices that violate applicable rules and regulations
- Poor management of public resources including vehicles
- Lax internal control environment which couldn't prevent nor deter the occurrences of mal practices in the management of university resources (FEACC, 2012)

The conclusions of the conference were in line with the recent opinions of the OFAG which enables one to surmise that the internal control effectiveness of public universities require earnest commitment of top management of each institutions and all other concerned to the issue so that the sector can deliver the maximum value of the scarce public money invested in higher education system.

In the context of the case university as well external auditors and university management audit exit meeting minutes of the last two years were reviewed as part of document analysis in this study confirmed above stated problems in some way. In general, the points rose as audit finding of Jimma University for 2010 and 2011 budget year showed that the control activities related to cash, inventory, fixed assets, procurement process, and construction contract administration were problematic and were not undertaken as per the necessary legal framework. Further the audit finding revealed that the basics of internal control effectiveness such as segregation of duty, maintaining timely and correct accounting treatments for business transactions are among the issues demanding management attention. Further the weakness of internal control environment were demonstrated by understaffed internal audit department that couldn't ensure the proper implementations of internal control procedures, policies and procedure that supposed to dictate the action and decision of employees and managers in the organization.

**5.2. ANALYSIS OF PRIMARY DATA**

**5.2.1. PROFILE OF RESPONDENTS**

Out of the total respondents, 147 (72.40 %) are administrative staffs of the University while the rest, 56 (27.60 %) are academic staffs. As far as they are the administrative staffs who should take the lead for internal control effectiveness, a greater number of administrative staffs are incorporated in the research to see their response towards the effectiveness of the internal control system of Jimma University. Regarding, work experience, about 22.20 % of the respondents have an experience of less than three years in Jimma University while majority 138 (67.90%) of the respondents have a work experience between three to twelve years and they are only 20 (9.9 %) who do have a work experience of more than twelve years. In terms of the position held in the university, 61 (30 %) of the respondents are those who are in managerial position, while 142 (70 %) are those who does not held managerial position. The non managerial persons might provide genuine information about the effectiveness of internal control than those who held managerial position and that is why majority of those who held no managerial position are considered. Regarding the academic qualification of the respondents, about 150 (73.90 %) are those who are Masters and Bachelor Degree graduates. Only 6 (3 %) of the respondents are PhD holders and the remaining 47 (23.20 %) are diploma holders.

**5.2.2. CONTROL ENVIRONMENT**

Employees' attitude towards the effectiveness of Control environment in Jimma University is indicated in the table that follows.

**TABLE 1: ATTITUDE OF EMPLOYEES TOWARDS THE OVERALL EFFECTIVENESS OF CONTROL ENVIRONMENT (EXPRESSED IN TERMS OF AGREEMENT/DISAGREEMENT)**

		DA & SDA	NEU	AG & SAG	Total	X <sup>2</sup>	P
Division	Administrative	40(27.20)	55(37.50)	52(35.40)	147(100)	1.56	0.46
	Academic	14(25.00)	17(30.40)	25(44.60)	56(100)		
Sex	Male	41(24.80)	57(34.50)	67(40.60)	165(100)	2.89	0.24
	Female	13(34.20)	15(39.50)	10(26.30)	38(100)		
Work Experience	< 3 years	11(24.40)	10(22.20)	24(53.30)	45(100)	5.80	0.053
	3-6 Years	24(38.70)	21(33.90)	17(27.40)	62(100)		
	6-9 years	10(20.40)	20(40.80)	19(38.80)	49(100)		
	9-12 Years	6(22.20)	10(37.00)	11(40.70)	27(100)		
	> 12 years	3(15.00)	11(55.00)	6(30.00)	20(100)		
Position	Managerial	14(23.00)	19(31.10)	28(45.90)	61(100)	2.36	0.31
	Non-Managerial	40(28.20)	53(37.30)	49(45.90)	142(100)		
Academic Qualification	PhD	3(50.00)	3(50.00)	0(0.00)	6(100)		
	Masters	15(40.50)	11(29.70)	11(29.70)	37(100)		
	Bachelor Degree	29(25.70)	39(34.50)	45(39.80)	113(100)		
	Diploma	7(14.90)	19(40.40)	21(44.70)	47(100)		

Source: Primary Data (Where: DA is Disagree, SDA: is Strongly Disagree, NEU: is Neutral, AG: is Agree and SAG: is Strongly Agree)

From table 1, above, it can be observed that majority of the academic staffs 25 (44.60) agree or strongly agree that the control environment is effective while most of the administrative staffs 55(37.40) remain neutral regarding the case. Generally, employee's attitude towards effectiveness in control environment in Jimma University does not vary with being whether academic or administrative staff. This was tested by chi-square test (X<sup>2</sup> = 1.56 P = 0.46). Similarly, the chi-square test (X<sup>2</sup> = 2.89, P = 0.24, X<sup>2</sup> = 15.26, P = 0.054, X<sup>2</sup> = 5.80 P = 0.053, X<sup>2</sup> = 2.36 P = 0.31 for Sex, work experience, Position held respectively), indicating that the



attitude of employees towards the effectiveness of the control environment doesn't vary with the difference in these variables. The percentage computed indicated that as the academic qualification increases the disagreement with the statement that says the control environment in Jimma University is effective increases and vice-versa.

**5.2.3. RISK ASSESSMENT PRACTICES**

Risk assessment is the identification and analysis of the possible risks that might be encountered by the organization and also identifying the ways to overcome it.

Employees' response towards the risk assessment of the Case University is given below

**TABLE 2: ATTITUDE OF EMPLOYEES TOWARDS THE RISK ASSESSMENT PRACTICE (EXPRESSED IN TERMS OF AGREEMENT/DISAGREEMENT)**

		DA & SDA	NEU	AG & SAG	Total	X <sup>2</sup>	P
Division	Administrative	39(26.500)	49 (33.30)	59 (40.10)	147 (100)	0.39	0.82
	Academic	13 (23.20)	18 (32.10)	25 (44.60)	56 (100)		
Sex	Male	37 (22.40)	54 (32.70)	74 (44.80)	165 (100)	6.09	0.048
	Female	15 (39.50)	13 (34.20)	10 (26.30)	38 (100)		
Work Experience	< 3 years	12 (26.70)	12 (26.70)	21 (46.60)	45 (100)	6.90	0.55
	3-6 Years	19 (30.60)	25 (40.30)	18 (29.00)	62 (100)		
	6-9 years	12 (24.50)	14 (28.60)	23 (46.90)	49 (100)		
	9-12 Years	6 (22.20)	9 (33.30)	12 (44.40)	27 (100)		
	> 12 years	3 (15.00)	7 (35.00)	10 (50.00)	20 (100)		
Position	Managerial	17 (27.90)	20 (32.80)	24 (39.30)	61 (100)	0.26	0.88
	Non-Managerial	35 (24.60)	47 (33.10)	60 (42.30)	142 (100)		
Academic Qualification	PhD	4 (66.70)	1 (16.70)	1 (16.70)	6 (100)	0.09	0.018
	Masters	15 (40.50)	7 (18.90)	15 (40.50)	37 (100)		
	Bachelor Degree	27 (23.90)	44 (38.90)	42 (37.20)	113 (100)		
	Diploma	6 (12.80)	15 (31.90)	26 (55.30)	47 (100)		

Source: Primary Data

(Where: DA is Disagree, SDA: is Strongly Disagree, NEU: is Neutral, AG: is Agree and SAG: is Strongly Agree)

The chi-square test indicated that, the difference in being academic staff or administrative, (X<sup>2</sup> = 0.39 P= 0.82), work experience, (X<sup>2</sup>= 6.90 P= 0.55), position held (X<sup>2</sup> = 0.26 P= 0.88), does not affect the attitude of employees towards the risk assessment system of the University. In contrast, the difference in gender resulted in attitude difference (X<sup>2</sup>= 6.09 P= 0.048) i.e. majority of the females 15 (39.50 %) dissatisfied with risk assessment system in Jimma University, while most of the males 74 (44.81 %), are satisfied with risk assessment system.

Similarly, the difference in the academic qualification of employees resulted in difference in attitude towards the effectiveness in risk assessment system (X<sup>2</sup>= 10.09 P= 0.018). As the academic qualification increases, the dissatisfaction in the risk assessment system increases and vice versa.

**5.2.4. CONTROL ACTIVITIES**

To see the effectiveness of the various control activities in Jimma University, these activities are sub categorized in to control over payroll related payments, control over non payroll payments, control over assets and control over human resource related practices.

**5.2.4.1. CONTROL OVER PAYROLL RELATED PAYMENTS**

The table that follows indicated whether the attitude of employees towards effectiveness in control over payroll related payments differ with the difference in demographic variables.

**TABLE 3: ATTITUDE OF EMPLOYEES TOWARDS PAYROLL RELATED CONTROL (EXPRESSED IN TERMS OF AGREEMENT/DISAGREEMENT)**

		DA & SDA	NEU	AG & SAG	Total	X <sup>2</sup>	P
Division	Administrative	38 (25.90)	54 (36.70)	55 (37.40)	147 (100)	1.39	0.50
	Academic	12 (21.40)	18 (32.10)	26 (46.40)	56 (100)		
Sex	Male	39 (23.60)	57 (34.50)	69 (41.80)	165 (100)	1.38	0.50
	Female	11 (28.90)	15 (39.50)	12 (31.60)	38 (100)		
Work Experience	Less than 3 years	12 (26.70)	9 (20.00)	24 (53.30)	45 (100)	18.15	0.02
	3-6 Years	22 (35.50)	21 (33.90)	19 (30.60)	62 (100)		
	6-9 years	11 (22.40)	23 (16.90)	15 (30.60)	49 (100)		
	9-12 Years	4 (14.80)	10 (37.00)	13 (48.20)	27 (100)		
	> 12 years	1 (5.00)	9 (45.00)	10 (50.00)	20 (100)		
Position	Managerial	15 (24.60)	21 (34.40)	25 (41.00)	61 (100)	0.97	0.051
	Non-Managerial	35 (24.60)	51 (35.90)	56 (39.40)	142 (100)		
Academic Qualification	PhD	3 (50.00)	1 (16.70)	2 (33.30)	6 (100.00)	14.39	0.002
	Masters	14 (17.80)	14 (37.80)	9 (24.40)	37 (100)		
	Bachelor Degree	28 (24.80)	39 (34.50)	46 (40.70)	113 (100)		
	Diploma	5 (10.60)	16 (34.00)	26 (55.40)	47 (100)		

Source: Primary Data (Where: DA is Disagree, SDA: is Strongly Disagree, NEU: is Neutral, AG: is Agree and SAG: is Strongly Agree).

Table 3 indicated that, the difference in the division and gender , does not resulted in difference in attitude towards the effectiveness of internal control over payroll related payments in Jimma University, (X<sup>2</sup> = 0.86, P= 0.65, X<sup>2</sup> 1.38, P= 0.50) for division and sex respectively. The percentage computed indicated that, majority of the academic staffs 26 (46.40%) and administrative staffs 55 (37.40%) are satisfied with the effectiveness in internal control over the payroll related payments. Further majority of females 12 (31.60 %) and males 69 (41.80 %) are satisfied on effectiveness of control over payroll related payments.

Similarly the position held in Jimma University does not resulted in change in attitude over the effectiveness of payroll related payments (X<sup>2</sup>= 0.97 P= 0.051). Small number 14 (23.00 %) of those who held managerial position and 44 (31.00 %) of those at non managerial position are satisfied with control over payroll related payments.

However, as the experience in Jimma University increases, the dissatisfaction in payroll related control increases and vice-versa (X<sup>2</sup>= 18.15 P= 0.02) and also as the academic qualification increases dissatisfaction over payroll related control increases (X<sup>2</sup> = 14.39 P= 0.002).



5.2.5. CONTROL OVER NON PAYROLL PAYMENTS

TABLE 4: ATTITUDE OF EMPLOYEES TOWARDS NON PAYROLL RELATED CONTROL (EXPRESSED IN TERMS OF AGREEMENT/DISAGREEMENT)

		DA & SDA	NEU	AG & SAG	Total	X <sup>2</sup>	P
Division	Administrative	51(34.70)	54 (38.70)	42 (28.60)	147 ( 100)	0.86	0.65
	Academic	16 (28.60)	24 (42.80)	16 (28.60)	56 ( 100)		
Sex	Male	56 (33.90)	63 (38.20)	46 (27.90)	165 (100)	0.39	0.82
	Female	11 (28.90)	15 (39.50)	12 (31.60)	38 (100)		
Work Experience	Less than 3 years	12 (26.70)	11 (24.40)	22 (48.90)	45 (100)	24.18	0.002
	3-6 Years	25 (40.30)	29 (46.80)	8 (12.90)	62 (100)		
	6-9 years	19 (38.80)	16 (32.70)	14 (28.50)	49 (100)		
	9-12 Years	6 (22.20)	10 (37.00)	11 (40.80)	27 ( 100)		
Position	> 12 years	5 (25.00)	12 (60.00)	3 (15.00)	20 (100)	7.31	0.026
	Managerial	15 (24.60)	32 (52.40)	14 (23.00)	61 (100)		
Academic Qualification	Non-Managerial	52 (36.60)	46 (32.40)	44 (31.00)	142 (100)	-	-
	PhD	6 (100)	0 (0.00)	0 (0.00)	6 (100)		
	Masters	16 (43.20)	13 (35.10)	8 (21.70)	37 (100)		
	Bachelor Degree	39 (34.50)	39 (34.50)	35 (31.00)	113 (100)		
	Diploma	6 (12.80)	26 (55.30)	15 (31.90)	47 (100)		

Source: primary Data (Where: DA is Disagree, SDA: is strongly Disagree, NEU: is Neutral, AG: is Agree and SAG: is strongly Agree).

From table 4 it can be seen that, the response towards the effectiveness of non-payroll related controls does not vary with the division (X<sup>2</sup>= 0.86 P= 0.65). Majority i.e. 54 (38.70 %) of administrative and 24 (42.80 %) of the academic staffs remain neutral.

Similarly, the difference in gender does not resulted in the variation of the response towards the effectiveness of control over non-payroll related payments (X<sup>2</sup> = 0.39 and P = 0.82). Majority of both male and females have undecided response towards the effectiveness of control over non payroll payments but the difference in work experience (X<sup>2</sup> = 24.18 P= 0.002), position held (X<sup>2</sup> = 7.31 P= 0.026) in the University does resulted in difference in response towards the effectiveness of internal control over non-payroll related payments. The result indicated that, employees with more experiences and who held no managerial position are dissatisfied with the effectiveness of control over non-payroll payments.

Finally, even though it cannot determine whether the academic qualification is the determinant factor to cause the difference in attitude towards control over non payroll payments because of the existence of raw with zero value, the percentage computed indicated that, as the academic qualification increases, the dissatisfaction with non-payroll payments increases and vice-versa.

5.2.6. CONTROL OVER ASSETS

The assets management indicated the extent to which Jimma University is utilizing all its assets and reduces unnecessary wastage. The response of the employees regarding control over assets is summarized in the following table.

TABLE 5: ATTITUDE OF EMPLOYEES TOWARDS ASSETS MANAGEMENT (EXPRESSED IN TERMS OF AGREEMENT/DISAGREEMENT)

		DA & SDA	NEU	AG & SAG	Total	X <sup>2</sup>	P
Division	Administrative	17 ( 11.60)	92 (62.60)	38 (25.50)	147 (100)	1.37	0.50
	Academic	8 (14.30)	30 (53.60)	18 (32.10)	56 (100)		
Sex	Male	23 (13.90)	96 (58.20)	46 (27.90)	165 (100)	2.45	0.29
	Female	2 (5.30)	26 (68.40)	10 (26.30)	38 (100)		
Work Experience	Less than 3 years	7 (15.60)	22 (48.90)	16 (35.60)	45 (100)	-	-
	3-6 Years	8 (12.90)	37 (59.70)	17 (27.40)	62 (100)		
	6-9 years	7 (14.30)	31 (63.30)	11 (22.40)	49 (100)		
	9-12 Years	3 (11.10)	16 (59.30)	8 (29.30)	27 (100)		
	> 12 years	0 (0.00)	16 (59.30)	4 (20.00)	20 (100)		
Position	Managerial	6 (9.80)	40 (65.60)	15 (24.60)	61 (100)	1.15	0.56
	Non-Managerial	19 (13.40)	82 (57.70)	41 (28.90)	142 (100)		
Academic Qualification	PhD	2 (33.30)	4 (66.70)	0 (0.00)	6 (100)	-	-
	Masters	5 (13.50)	22 (59.50)	10 (27.00)	37 (100)		
	Bachelor Degree	15 (13.30)	66 (58.40)	32 (28.30)	113 (100)		
	Diploma	3 (16.40)	30 (63.80)	14 (29.80)	47 (100)		

Source: primary Data (Where: DA is Disagree, SDA: is Strongly Disagree, NEU: is Neutral, AG: is Agree and SAG: is Strongly Agree)

Table 5 above is used to see whether the difference in demographic variable resulted in difference in attitude towards the effectiveness in assets management practice in Jimma University. Hence, from the table constructed it can be seen that, difference in division (X<sup>2</sup>= 1.37 P= 0.50), Sex (X<sup>2</sup> = 2.45 P= 0.29) and Position held (X<sup>2</sup> = 1.15 P= 0.56) does not resulted in opinion difference among employees in Jimma University. Further the percentage computed indicates that majority of employees with various experiences and academic qualification have neutral attitude towards the effectiveness of assets management practice in Jimma University. But the fact that few of them agree with the effectiveness of the assets management practice indicates that the area seek the attention of the management.

5.2.7. CONTROL OVER HUMAN RESOURCE

The other concern of control activities is the management of human resource. This is concerned with whether the recruitment, training and development and disciplining of staffs is in accordance with rules and regulation set by the board or the country as a whole. Whether the attitude of employees regarding the management of human resource varies with demographic variables is indicated on table 6 below.

TABLE 6: ATTITUDE OF EMPLOYEES TOWARDS HUMAN RESOURCE MANAGEMENT PRACTICE (EXPRESSED IN TERMS OF AGREEMENT/DISAGREEMENT)

		DA & SDA	NEU	AG & SAG	Total	X <sup>2</sup>	P
Division	Administrative	20 (13.60)	68 (46.30)	59 (40.10)	147 (100)	1.67	0.43
	Academic	7 (12.50)	21 (37.50)	28 (50.00)	56 (100)		
Sex	Male	24 (14.50)	71 (43.00)	70 (42.40)	165 (100)	1.20	0.55
	Female	3 (7.90)	18 (47.40)	17 (44.70)	38 (100)		
Work Experience	Less than 3 years	7 (15.60)	13 (28.90)	25 (55.60)	45 (100)	12.54	0.13
	3-6 Years	8 (12.90)	35 (56.50)	19 (30.60)	62 (100)		
	6-9 years	8 (16.30)	23 (46.90)	18 (36.70)	49 (100)		
	9-12 Years	3 (11.10)	11(40.70)	13 (48.10)	27 (100)		
	> 12 years	1 (5.00)	7 (35.00)	12 (60.00)	20 (100)		
Position	Managerial	12 (19.70)	21 (34.40)	28 (45.90)	61 (100)	0.61	0.10
	Non-Managerial	15 (10.60)	68 (47.90)	59 (41.50)	142 (100)		
Academic Qualification	PhD	2 (33.30)	3 (50.00)	1 (16.70)	6 (100)	6.88	0.074
	Masters	7 (18.90)	17 (45.90)	13 (35.20)	37 (100)		
	Bachelor Degree	17 (15.00)	47 (41.60)	49 (43.40)	113 (100)		
	Diploma	1 (2.10)	22 (46.80)	24 (51.10)	47 (100)		

Source: primary Data (Where: DA is Disagree, SDA: is Strongly Disagree, NEU: is Neutral, AG: is Agree and SAG: is Strongly Agree)

As we can see from table 6, the whole demographic variables as division, gender, work experience, position held, academic qualification does not cause the opinion difference in employees of Jimma University. ( $X^2 = 1.67 P = 0.43$ ,  $X^2 = 1.20 P = 0.55$ ,  $X^2 = 12.54 P = 0.13$ ,  $X^2 = 0.61 P = 0.10$ ,  $X^2 = 6.88 P = 0.074$ ) respectively. Only small numbers of respondents across each demographic variable are satisfied with effectiveness of human resource management practice in Jimma University. This indicates that there is significant problem in human resource practices such as recruitment, selection, hiring and training practices.

**5.2.8. INFORMATION AND COMMUNICATION**

The fourth component of internal control is the information and communication. According to COSO (1994), internal control to be effective, there should be a system that allows a smooth flow of information between top level management and employees. The response of employees towards the effectiveness of information and communication is indicated in the table that follows.

TABLE 7: ATTITUDE OF EMPLOYEES TOWARDS THE EFFECTIVENESS OF INFORMATION MANAGEMENT PRACTICE, EXPRESSED IN TERMS OF AGREEMENT/DISAGREEMENT

		DA & SDA	NEU	AG & SAG	Total	X <sup>2</sup>	P
Division	Administrative	28 (19.00)	66 (44.90)	53 (36.10)	147 (100)	7.50	0.024
	Academic	8 (14.30)	16 (28.60)	32 (57.10)	56 (100)		
Sex	Male	29 (17.60)	68 (41.20)	68 (41.20)	165 (100)	0.25	0.88
	Female	7 (18.40)	24 (36.80)	17 (44.70)	38 (100)		
Work Experience	< 3 years	7 (15.60)	15 (33.30)	23 (51.10)	45 (100)	8.05	0.43
	3-6 Years	16 (25.80)	26 (41.90)	20 (32.30)	62 (100)		
	6-9 years	8 (16.30)	19 (38.80)	22 (44.90)	49 (100)		
	9-12 Years	4 (14.80)	12 (44.40)	11 (40.80)	27 (100)		
	> 12 years	1 (5.00)	10 (50.00)	9 (45.00)	20 (100)		
Position	Managerial	10 (16.40)	31 (50.80)	20 (32.80)	61 (100)	4.15	0.13
	Non-Managerial	26 (18.30)	51 (35.90)	65 (45.80)	142 (100)		
Academic Qualification	PhD	4 (66.60)	1 (16.70)	1 (16.70)	6 (100)	10.48	0.015
	Masters	7 (18.90)	16 (43.20)	14 (37.80)	37 (100)		
	Bachelor Degree	22 (19.50)	47 (41.60)	44 (38.90)	113 (100)		
	Diploma	3 (6.40)	18 (38.30)	26 (55.30)	47 (100)		

Source: primary Data (Where: DA is Disagree, SDA: is Strongly Disagree, NEU: is Neutral, AG: is Agree and SAG: is Strongly Agree)

As indicated in the above table, the position held ( $X^2 = 7.50$ ,  $P = 0.024$ ), academic qualification ( $X^2 = 10.48$ ,  $P = 0.015$ ) cause the opinion difference among employees of Jimma University regarding the effectiveness of information and communication. Majority of academic 32 (57.10 %) and those who are less qualified are more satisfied with the effectiveness of information and communication system. But the difference in employees in terms of sex, experience and position held ( $X^2 = 0.25 P = 0.88$ ,  $X^2 = 8.05 P = 0.43$ ,  $X^2 = 4.15 P = 0.13$ ) respectively does not cause the attitude difference in employees regarding the effectiveness of smooth flow of information from top to the bottom level of management in Jimma University. As they are the administrative staffs are more concerned with internal control system, it can be said that the information and communication system is not effective. This is also supported by the response provide by those experienced employees and academically more qualified.

**5.2.9. MONITORING**

Monitoring is the last component of internal control. Employees' attitude towards the effectiveness of monitoring activities in Jimma University is indicated in table 8 below.

TABLE 8: ATTITUDE OF EMPLOYEES TOWARDS THE EFFECTIVENESS OF MONITORING PRACTICE (EXPRESSED IN TERMS OF AGREEMENT/DISAGREEMENT)

		DA & SDA	NEU	AG & SAG	Total	X <sup>2</sup>	P
Division	Administrative	52 (35.40)	37 (25.20)	58 (39.50)	147 (100)	4.85	0.09
	Academic	11 (19.60)	16 (28.60)	29 (51.80)	56 (100)		
Sex	Male	52 (31.50)	43 (26.10)	70 (42.40)	165 (100)	0.11	0.95
	Female	11 (28.90)	10 (26.30)	17 (44.70)	38 (100)		
Work Experience	Less than 3 years	14 (31.10)	9 (20.00)	22 (48.90)	45 (100)	9.97	0.27
	3-6 Years	24 (38.70)	15 (24.20)	23 (37.10)	62 (100)		
	6-9 years	17 (84.70)	13 (26.50)	19 (38.80)	49 (100)		
	9-12 Years	6 (22.20)	7 (25.90)	14 (51.90)	27 (100)		
	> 12 years	2 (10.00)	9 (45.00)	9 (45.00)	20 (100)		
Position	Managerial	17 (27.90)	18 (29.50)	26 (42.60)	61 (100)	0.67	0.72
	Non-Managerial	46 (32.40)	35 (24.60)	61 (43.00)	142 (100)		
Academic Qualification	PhD	3 (50.00)	2 (33.30)	1 (16.70)	6 (100)	5.23	0.16
	Masters	13 (35.10)	8 (21.60)	16 (43.20)	37 (100)		
	Bachelor Degree	40 (35.40)	25 (22.10)	48 (42.50)	113 (100)		
	Diploma	7 (14.90)	18 (38.30)	22 (46.80)	47 (100)		

Source: primary Data: (Where: DA is Disagree, SDA: is Strongly Disagree, NEU: is Neutral, AG: is Agree and SAG: is Strongly Agree)

From table 8 above, it can be seen that the difference among employees in terms of division, gender, experience, position held and academic qualification does not result in difference in opinion towards the effectiveness of the monitoring activities in Jimma University. This is reached at through chi square ( $X^2= 4.85$   $P= 0.09$ ,  $X^2= 0.11$   $P= 0.95$ ,  $X^2= 9.97$   $P= 0.27$ ,  $X^2= 0.67$   $P= 0.27$ ,  $X^2= 5.23$   $P= 0.16$ ) for division, sex, experience, Position held, and academic qualification respectively. From the percentages computed in can be said that majority of the workers who hold non managerial position and academically more qualified are not satisfied with the effectiveness of monitoring system in the University. Similarly, majority of both males and females are either neutral or dissatisfied and small number gets satisfied with the monitoring system in the University.

## 6. CONCLUSION AND RECOMMENDATIONS

### 6.1. CONCLUSIONS

From the desk research conducted, it can be concluded that the internal control system in public Universities in Ethiopia is not effective for which Jimma University is not special. The primary data analyzed also witnessed that internal control system in the university is suffering from major problems such as; inadequate risk assessment practice, poor internal control over physical and financial resources, poor human resource management practice, inappropriate information management, and loose monitoring and control practices.

### 6.2. RECOMMENDATIONS

Based upon the findings, the following recommendations were forwarded believing that the application will reduce the observed problems.

- ❖ The management of the university is expected to be proactive in its risk management practice than seeking solution after occurrences.
- ❖ Human resource practices such as recruitment, selection, hiring, training and development need to be given special emphasis. Qualification, previous employment history, medical fitness and criminal records of the candidate should be checked in order not to recruit employees who are: less qualities & who does not fit to the position, who is already employed in other governmental or nongovernmental organizations and have criminal case.
- ❖ The management of the university is advised to provide strong oversight to physical resources especially on vehicles, computers. Further, the human resource, finance and other departments are advised to share updated information to identify the employees to whom payments are expected to be made.
- ❖ The management of the university is expected to work hard on management of information and using them for day to day decision making and monitor the overall activities in the university.

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**ABSTRACT**

Today the need and demand for Corporate Social Responsibility (CSR) is growing due to multinational corporations' increasing influence on world economy as well as scandals in different industries. Earlier the concept of Corporate Social Responsibility (CSR) was an unconscious practice and it was treated more as a custom that an organization should practice and obey as it was not entirely under the regulations of any official laws or legal bodies but now the ministry of corporate affairs (MCA) has notified Section 135 and Schedule VII of the Companies Act, 2013, which relate to corporate social responsibility (CSR) that will be effective from April 1, as part of the new Companies Act. The companies should fulfill their social obligations not only to comply with the legal obligations but also to contribute towards the sustainable development in the wider community. Now a days the Indian consumers are more aware that, in pursuing their business objectives, corporations now bear more responsibility towards society and the environment. Several researches have indicated that CSR actions of companies can serve as a competitive advantage and can have a positive effect on the consumer psychology. The present paper is an endeavour to analyse how corporate social responsibility is related with changing consumer behavior and how it is helpful to understand the consumer psychology.

**KEYWORDS**

Corporate Social Responsibility (CSR), Consumer Psychology, Consumer Behavior, Consumer.

**INTRODUCTION**

In the last decades, we are witnessing a tremendous growth of Corporate Social Responsibility (CSR) which affected the Consumer psychology to a great extent. With the introduction of the Companies Act, 2013 the mandate for corporate social responsibility (CSR) has been formally introduced to the dashboard of the Boards of Indian companies. The industry has responded positively to the reform measure undertaken by the government with a wide interest across the public and private sector, Indian and multinational companies. These norms will apply to those companies having at least Rs. 5 crore net profit or Rs 1,000 crore turnover or Rs 500 crore net worth. Such companies will have to spend 2 per cent of their three-year average annual net profit on CSR activities in each financial year, starting from FY15.

Consumer psychology is a branch of social psychology that seeks to examine customer preference, custom, habit and their impact on goods offered in the market. Consumer psychology helps in the formulation of new products and in the design of advertisements by manufactures and brand owners.

CSR defined as "the continuing commitment by business to contribute to economic development while improving the quality of life of the workforce and their families as well as of the community and society at large."

Corporate social responsibility involves companies assessing the social and environmental impacts of their work, voluntarily integrating practices and policies, and undertaking ongoing engagement with public stakeholders. CSR is not merely about making money for its shareholders, but also acting as a good corporate citizen by obeying the law and taking good care of its people, community and environment.

**WHAT ARE THE ACTIVITIES A COMPANY CAN UNDERTAKE?**

As per Schedule VII of The Companies Act, 2013 activities, as a Project Mode:

- ❖ Eradication of hunger and poverty
- ❖ Promotion of education
- ❖ Promotion of gender equality and women empowerment
- ❖ Health - reducing child mortality, improving maternal health, combating HIV, AIDS, malaria
- ❖ Employment enhancing vocational skills
- ❖ Contribution to PM's fund or other fund set up by central govt. or the state govt. for socio-economic development and relief and funds for the welfare of SC, ST, backward classes, minorities and women
- ❖ Ensuring environmental sustainability
- ❖ Social business projects
- ❖ Such other matters as may be prescribed

**SOME OF THE CSR INITIATIVES TAKEN BY THE COMPANIES****1. ITC Group**

- ❖ E-choupal: world's largest rural digital infrastructure serving over 4 million farmers
- ❖ Social and Farm forestry initiative has greened nearly 165,000 hectares & provided approx. 64 million person-days of employment among tribals & marginal farmers
- ❖ Significant thrust on social sector investments
- ❖ Natural resource management
- ❖ Sustainable livelihoods
- ❖ Community development programmes in the economic vicinity of operating locations.
- ❖ Direct employment: 30,000
- ❖ Indirect employment across the value chain : 5 million

**2. PROCTOR & GAMBLE**

P&G has secured corporate citizenship awards five times since 2001. P&G has attracted the concentration of the public due to the various charity works that the company has done.

Over the past decade, P&G's sustainability mantra 'to touch and improve the lives of consumers, now and for generations to come' has inspired an enduring CSR strategy supported by three pillars — P&G Shiksha, The Whisper School program (Education) & Project Parivartan (Transformation) and Timely Disaster Relief.

- ❖ P&G Shiksha and Project Parivartan impacts the lives of over 420,000 underprivileged children today.
- ❖ Till date, the program has built or supported over 220 schools across India through a cumulative donation of over 30 crores made to 10 NGO partners.



- ❖ Through their Disaster Relief program, they reached out to over 10,000 affected families in Uttarakhand with P&G products along with relief materials like medicines, food & blankets, safe drinking water & water-proof tents in partnership with their Sustainability partner NGOs, Save The Children and Himachal Pradesh Voluntary Health Association.
- 3. HINDUSTAN UNILEVER LTD.**
- ❖ Unilever has done immense amount of research on concentrating on everyday consumer requirement for diet, cleanliness and individual care by making high-quality products that are safe to use
  - ❖ Unilever tried to adopt sustainable ways in supply chain. From responsible sourcing, they seek to raise standards in row with the requirements set out in their Business Code and Sustainable Code of Agriculture
  - ❖ Unilever has put strict procedures in regard to look after the health and safety of its workers while at work, safeguard the health and safety of customers, and reduce the carbon emission of their manufacturing sites

## REVIEW OF LITERATURE

- ❖ In their recent study, Lichtenstein et al. (2004) argued that perceived corporate social responsibility has an effect on customer purchase behavior through customer-corporation identification. It is noted, "A way that CSR initiatives create benefits for companies appears to be by increasing consumers' identification with the corporation ... [and] support for the company".
- ❖ The 'Handbook on Corporate Social Responsibility in India' developed by PwC India, this handbook begins by building a common understanding of the concept of CSR, based on global practices, Indian tradition, and the intent and provisions of the Companies Act, 2013. It then goes on to bring out the key aspects of clause 135 of the Companies Act, 2013 and the recently released draft rules, and highlights its implications to companies.
- ❖ According to Espejel et al. (2008) buying intention is a prediction of consumer attitude or behavior towards a future purchase decision. In other words, buying or purchase intention is a pattern of consumers' attitudes or beliefs, regarding their future purchases. The positive attitudes of consumers towards the company's reputation, image, and product evaluation can be influenced by CSR activities (Dacin & Brown, 1997). A number of studies have showed that there is a positive relationship between a business's CSR program and consumers' attitudes towards that organization and its products (Brown & Dacin, 1997; Ellen, Webb, & Mohr, 2000; Creyer Ross, 1997).
- ❖ In a seminal article, Carroll (1979) presented corporate social responsibility as a construct that "encompasses the economic, legal, ethical, and discretionary expectations that society has of organizations at a given point in time." In his definition, Carroll argued that these responsibilities are performed not only for the firm's sake but also for the sake of society at large. This means that organizations by their very existence can be viewed as entering into a social contract that obligates the corporation to take the interests of society into consideration when making decisions (Andreasen & Drumwright, 2001).
- ❖ Carroll (1991) proposed four levels (pyramid) of CSR: economic, legal, ethical and philanthropic responsibilities. The author defined economic responsibility as the expectation of the corporation to maximize its earnings per share. Legal responsibility refers to the obligation of obeying laws and regulations. Ethical responsibility is the responsibility of doing what is expected morally and ethically, whereas philanthropic responsibility refers to charitable expectations of the society for the corporation. Based on these four components, a socially responsible firm should strive to make a profit, obey the law, be ethical, and be a good corporate citizen.

## NEED/IMPORTANCE OF THE STUDY

This paper tries to highlight the neglected research area of Corporate Social Responsibility (CSR) focusing on the influence that corporate social initiatives have on the consumer's behavior.

The proposed research may contribute to the literature in two ways. First, the results of this research may be relevant to decision makers nationwide, giving them criteria for the management of their corporate social initiatives and characteristics for the launching of products with social attributes to the segment under study. Second, this study may contribute to the understanding and development of CSR.

This paper aims to examine the influence of CSR on the buying behavior of consumers. We are interested in exploring whether consumers consider organizations' social contributions before associating themselves with organizations' products and services. Apart from that, this study also aims to identify the awareness level of consumers towards CSR. The results of this study will also be useful for business organizations in understanding the consumers' priority for the CSR activities that they should be engaging in, and it will contribute to the existing literature.

## STATEMENT OF THE PROBLEM

Consumer psychologists often conduct research to learn more about buyer behavior. Consumer psychology is a specialty area that studies the influence of their thoughts, beliefs, feelings and perceptions on their buying of goods and services. Customers are willing to build long-term relationships with their suppliers and purchase multiple products. However, companies must improve the effectiveness of their communications, as well as recognize and reward the value of the relationships.

Many companies are not keeping pace with social contributions, changing market and consumer dynamics and are far behind than other industries in meeting customer expectations. Firms need to become more proactive with respect to consumer social responsibility if they want to make their CSR initiatives more effective.

By being watchful to current and future social and environmental issues, firms will be able to anticipate changes and disturbances. They may have, in turn, a long term interest in performing well on CSR in order to convince current investors and consumers that they are honest and actual and potential investors that they are profitable. If so, there will be market niches for firms able to supply products environmental friendly and there will be good profits to be made from being the first to discover them. Investors may be sensitive to a taste for CSR for other reasons: they have to believe that such taste exists, or will soon exist, among consumers, and they will start to prefer investing in companies with CSR reputations (Crouch, 2006).

## OBJECTIVES

1. To find out whether socially responsible has any impact on the attractiveness of their products.
2. Whether CSR is the most important criterion to base (applying and buying) decisions on or is there any other criteria even more important?
3. To find out how CSR can influence customer perceptions and company performance.
4. Is there any relationship between Consumer psychology and CSR programs of the organization?
5. To analyze the impact of corporate social responsibility on consumer psychology.

## RESEARCH METHODOLOGY

The present study is based on both primary and secondary data.

The **Primary data** has been collected through personal interview with the consumers and the **Secondary data** from various published sources such as reports, surveys, journals, articles, magazines, websites, etc.

## FINDINGS

There are several research evidences proving that consumers really care about CSR initiatives of organizations when purchasing but at the same time other studies challenged such positive relation. Thus, the title's question is hard to be answered with a straightforward way and various theories suggesting that there is a lack of consensus on the way the public appreciates CSR and on the way CSR influence purchasing decisions. It is the consumer who actually determines

what a business is. Consumers are the final judge of a company with their buying and consumption behavior of products. Consumers' attitude towards a company's products (i.e. buying/consuming or not buying/consuming) is a function of how they view the company. Consumers are willing to pay more for products that are produced in a socially responsible manner and that they respond negatively (e.g., by not purchasing their products at all) when companies do not act responsibly. In this context corporate social responsibility has received considerable attention. If consumers' perception of corporate social responsibility practices drives their purchase behavior, firms are motivated to invest in socially responsible practices. The aim of corporate social responsibility is to take responsibility for all the company's actions and to put a positive impact on its communities, environment, consumers, employees and all other stakeholders. However, it is not only the CSR initiatives of organizations that are considered by the consumers while making their buying decisions, they may also consider various other factors such as price, quality, income, product differentiation etc.

As per a survey conducted by BSE of top 100 companies on "CSR spending estimates", 84 companies whose CSR specific information was available and assessed spent approximately Rs 2724 crores in 2012-13. If all the 100 companies follow the clause under the new company's bill in 2013-14, the total CSR expenditure for this financial year would be at least Rs 5,690 crores.

## RECOMMENDATIONS/SUGGESTIONS

Corporate social responsibility (CSR) has grown to play a significant and important role in directing and defining the way organizations do business. Lack of awareness about CSR initiatives is a limiting factor in consumers' ability to reward/punish corporations appropriately. Therefore, businesses are recommended to target responsible consumers with relevant information about the social responsibility credentials of their products and services through advertising or other media and consumers, in turn, will properly process this information in their formulation of their buying decisions.

## CONCLUSIONS

Today customers are able to scrutinize companies online and punish them for unethical and irresponsible behavior. Consequently, there is a need for big holding companies, especially those in the consumer goods arena, to clean up their acts and then make the world aware of what they've done. Hindustan Unilever and P&G are two big examples driven by consumer empowerment. Both P&G and Unilever have good corporate social responsibility records, so they're enjoying better reputation as compared to other companies.

It can be concluded that sustainability programs are good for industry associations due to the following reasons:

1. Sustainability and CSR programming increases the value and relevance of the association to current and prospective members. It reduces the risk that members will have their CSR and sustainability needs met by other organizations or initiatives.
2. Cost-effective pre-competitive CSR and sustainability collaborations can result in industry innovation, enabling the industry to improve its collective CSR impacts while driving business and operational benefits.
3. An association's CSR and sustainability program demonstrates the sector's commitment to sustainable practices and leadership. It can build positive stakeholder relationships with customers, communities, NGOs, suppliers and others.
4. Associations with CSR programs are able to attract and retain the best and brightest employees who prefer to work for organizations aligned with their values.

In closing, any company that wants to win over the long run needs to adopt a mindset of 'winning with the consumer' should ensure that they deliver value to their stakeholders, continue to innovate to deliver superior products propositions, more efficient systems and drive better results for their consumers.

## SCOPE FOR FURTHER RESEARCH

With the introduction of the new Companies Act, 2013, the social contribution or fulfilling the Corporate social responsibility is mandatory for the companies covered under sec. 135 of the act. Therefore, now companies would take CSR initiatives more seriously as a legal obligation that they should comply. Consumers would be more concerned with locally focused CSR initiatives that directly affect their daily lives. This has enhanced the scope for further researches for the scholars. The consumer behavior is changing due to various demographic and other factors but now the CSR initiative would also determine their buying behavior. As socially responsible companies would have good reputation and brand image in the market so the consumers start recognizing them which will have a positive influence on their sales growth.

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## INVESTIGATION OF CUSTOMERS' PRODUCT AWARENESS AND TRANSACTION GAP IN LIFE INSURANCE CORPORATION OF INDIA

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### ABSTRACT

*Customers are very much conscious about their needs and requirements. Based on the several factors, customers are now selecting different kinds of products in their life where their awareness about the several existing life insurance products varies situation wise, culture wise, nation wise, sector wise, industry wise and obviously over times. On the other hand, like any other company, Life Insurance Corporation of India (LIC) is adopting various strategies to develop customers' awareness about the various products as well as involving in the fulfillment of various needs and requirements of the customers through their selection of different life insurance policies available in the market. Observing present scenario of the LIC customers' product awareness and their current transactional life insurance policies, in this paper the investigation of customers' product awareness and transaction gap in Life Insurance Corporation of India has been conducted in Burdwan district, West Bengal. In this study, accepted 221 usable responses were considered as the sample size and statistical package SPSS 16 was used to perform the analyses.*

### KEYWORDS

Awareness, Customers, Life Insurance, Products, Transaction.

### INTRODUCTION

Indian insurance sector is one of the rapid developing insurance sectors in the present world and it has a significant impact in the country's economy. At present, along with one and only public life insurance company namely Life Insurance Corporation of India (LIC), a number of private life insurance companies are operating in the Indian life insurance market and providing varieties of services and products to the customers. After the entrance of private and foreign insurance companies in Indian insurance sector, customers' awareness about the various existing life insurance products has not only been changed but also they are selecting their require products from their insurers where almost all the life insurance companies are offering more or less same type of products to the customers in the insurance market. The customers of Life Insurance Corporation of India are no exception to this. The state-owned largest insurance group and investment company Life Insurance Corporation of India was established on 1<sup>st</sup> September 1956 and along with 8 zonal offices and 113 divisional offices comprising total 3455 servicing offices (365 in metro, 563 in urban, 970 in semi-urban and 1557 in others (IRDA Annual Report, 2011-12)) including 2048 branches, 54 Customer Zones, 25 Metro Area Service Hubs and a number of Satellite Offices, Life Insurance Corporation of India is now performing its business operation in India (Wikipedia). From very early age of the business, understanding various needs and requirements of the customers, LIC is offering different kinds of valuable products to the customers not only to maintain their own existence but also to achieve maximum growth in the present competitive life insurance market. In the present context, the current study has been conducted on the life insurance customers of all the 17 branches of the LIC located in Burdwan district to investigate the gap in between customers' product awareness and their current transaction with the various policies of the Life Insurance Corporation of India available in the market.

### REVIEW OF LITERATURE

Rejda (2008) stated that "insurance, in law and economics, is a form of risk management primarily used to hedge against the risk of a contingent loss. It is the equitable transfer of the risk of a loss, from one entity to another, in exchange for a premium". Worldwide customers' needs for insurance products have changed because of the improvement in life span and advancement in medical science (Jha, 1999). Choudhuri and Dasgupta (2013) revealed that corporate image, information technology, advertisement, human being and product are the significant factors influencing public awareness about the life insurance companies of India where agents, technology, advertisement, known persons, media and employees of the organization are playing an indispensable role in customers' mind to make them aware about the different products of the LIC (Choudhuri, 2014). Till date, only 20% of the total insurable population of India is covered under various life insurance schemes (www.ficci.com). According to IRDA's published Pre-Launch Survey Report of the Insurance Awareness Campaign in mid-February 2012, there were five major reasons why Indian households are underinsured: they do not consider life insurance to be important; they cannot afford it; they believe that the range of products and services are too limited; they believe that insurance companies provide poor services, and there is lack of awareness 'of life insurance across both rural and urban parts of the country' (Business Monitor International, 2012). Customer comfort, focus on image of the organization and product customization are identified as the three main factors that play major role in selection of a particular life insurance company in customers' mind (Choudhuri, 2013a). The corporate image and service quality not only influence the customers' decisions to choose insurers but also affect the price they are prepared to pay for a policy (Shlesinger and Graf von der Schulenburg, 1993). Though Choudhuri (2013b) pointed out that financial advisors (mainly agents), internet, family members, colleagues and friends appear as important influencers to the customers in selection of life insurance product but Crosby and Cowles (1986); Clow and Vorhies (1993); Richard and Allaway (1993) specified that in 80% of the cases, an insurance policy is almost always sold by an agent who is the customer's only contact. The purchases of life insurance is influenced by the key economic, financial, and demographic factors which consist of disposable income, financial development, social security, risk aversion, as well as education level (Zietz, 2003). Daily (1992) also indicated that including transparency, flexibility, and performance of the life insurance product, the individual or business' needs, and the product's availability in their geographic region and price bracket are the factors which influence an individual or business' life insurance choice. The life insurance products offered by the Life Insurance Corporation of India at the present market to the customers are given below:

- Insurance Plans: Bima Account Plans, Endowment Plus, Children Plans, Plans for Handi-capped Dependents, Endowment Assurance Plans, Plans for high worth individuals, Money Back Plans, Special Money Back Plan for Women, Whole Life Plans, Term Assurance Plans, Joint Life Plan.
- Pension Plans: Pension Plans.
- Unit Plans: Unit Plans.
- Special Plans: Golden Jubilee Plan, Micro Insurance Plans, Special Plan.
- Withdrawn Plans: Withdrawn Plans.
- Health Plans: Health Plans, Jeevan Arogya Plan. (www.licindia.in)

### METHODOLOGY

To collect data for the purpose of the study, the initial questionnaire was developed as a survey instrument where along with the other items, the awareness scenario of the customers of Life Insurance Corporation of India (LIC) about its different kinds of products available in the life insurance market and the LIC

customers' current transactional insurance policies were included in the questionnaire. The pilot study was conducted randomly selecting 30 customers where explaining objectives and purpose of the study, researcher tried to get valuable feedback from these customers. The preliminary analysis of the pilot study data signifies the internal consistency of the items in the questionnaire. So, no modification was needed for the survey instrument. The pilot study gave the confirmation of validity and reliability of final survey instrument. The structure of the final questionnaire is both open-ended and close-ended. After successfully completion of the pilot study, considering different demographic profile of the respondents and using random sampling technique, selecting all the 17 LIC branches located in Burdwan district, total 350 questionnaires were distributed among the customers where 289 customers were agreed to give response and finally obtained 221 usable responses which were considered as the sample size for this study.

## RESULTS AND DISCUSSIONS

In order to obtain the data for the purpose of the present study, a cross-sectional survey was conducted in Burdwan district among the customers of the Life Insurance Corporation of India where researcher carefully considered the different demographic profile such as gender, age, income status, occupation, educational qualification, locality of living and modern aids accessed by the customers. From the available data, researcher tried to measure the central tendency of the various demographic profile of the customers. The summarized demographic profile of the customers of the study is now given below:

TABLE 1: DEMOGRAPHIC PROFILE OF THE CUSTOMERS

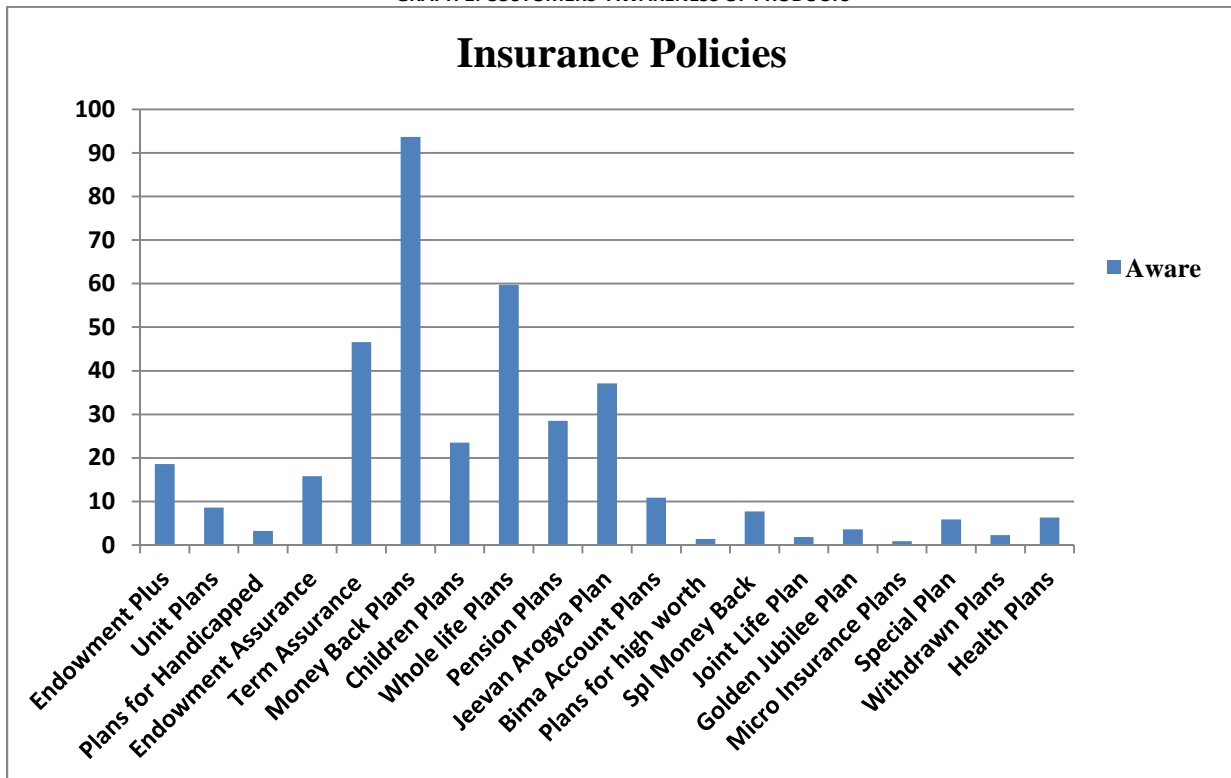
Demographic Variable	Demographic Characteristics	Frequency	Mean	Median	Mode	Std. Deviation
Gender	Male	192 ( 86.9 )	1.1312	1.0000	1.00	0.33841
	Female	29 ( 13.1 )				
Age	≤ 30 years	51 ( 23.1 )	2.6154	2.0000	2.00	1.26905
	31 - 40 years	66 ( 29.9 )				
	41 - 50 years	38 ( 17.2 )				
	51 - 60 years	49 ( 22.2 )				
	≥ 60 years	17 ( 7.7 )				
Income	≤ Rs.14999.00	30 ( 13.6 )	2.3529	2.0000	2.00	0.82150
	Rs.15000.00 -Rs.24999.00	102 ( 46.2 )				
	Rs.25000.00 -Rs.44999.00	70 ( 31.7 )				
	≥ Rs.45000.00	19 ( 8.6 )				
Occupation	Salaried	174 ( 78.7 )	1.4661	1.0000	1.00	1.00226
	Business	15 ( 6.8 )				
	Professional	11 ( 5.0 )				
	Retired	18 ( 8.1 )				
	Housewife	3 ( 1.4 )				
Educational Qualifications	High school	14 ( 6.3 )	3.1991	4.0000	4.00	1.08970
	Graduate	56 ( 25.3 )				
	Post-graduate	38 ( 17.2 )				
	Professional	98 ( 44.3 )				
	Any other	15 ( 6.8 )				
Locality of Living	Center of the town	144 ( 65.2 )	1.5611	1.0000	1.00	0.82138
	Outskirts of the town	30 ( 13.6 )				
	Rural areas adjoining town	47 ( 21.3 )				
Modern Aids	Mobile Phone	64 ( 29.0 )	1.4208	2.0000	2.00	0.90921
	Combination of mobile & internet	157 ( 71.0 )				

\* Percentage (%) in parenthesis

From above illustrated demographical profile of the LIC customers, researcher observed that at present 93.7% customers could remember the name of the insurance product 'Money Back Plans' when they were asked to mention the name of the insurance product that comes to their mind first, 59.7% customers used the name of 'Whole life Plans', 46.6% customers taken the name of 'Term Assurance Plans', 37.1% customers taken the name of 'Jeevan Arogya Plan', 28.5% customers used the name of 'Pension Plans', 23.5% customers taken the name of 'Children Plans', 18.6% customers used the name of 'Endowment Plus', 15.8% customers used the name of 'Endowment Assurance Plans', 10.9% customers used the name of 'Bima Account Plans' where the awareness percentage of 'Unit Plans', 'Special Money Back Plan for Women', 'Health Plans', 'Special Plan', 'Golden Jubilee Plan', 'Plans for Handicapped Dependents', 'Withdrawn Plans', 'Joint Life Plan', 'Plans for high worth individuals' and 'Micro Insurance Plans' are respectively 8.6, 7.7, 6.3, 5.9, 3.6, 3.2, 2.3, 1.8, 1.4 and 0.9. The above discussion can be presented in form of following graph:

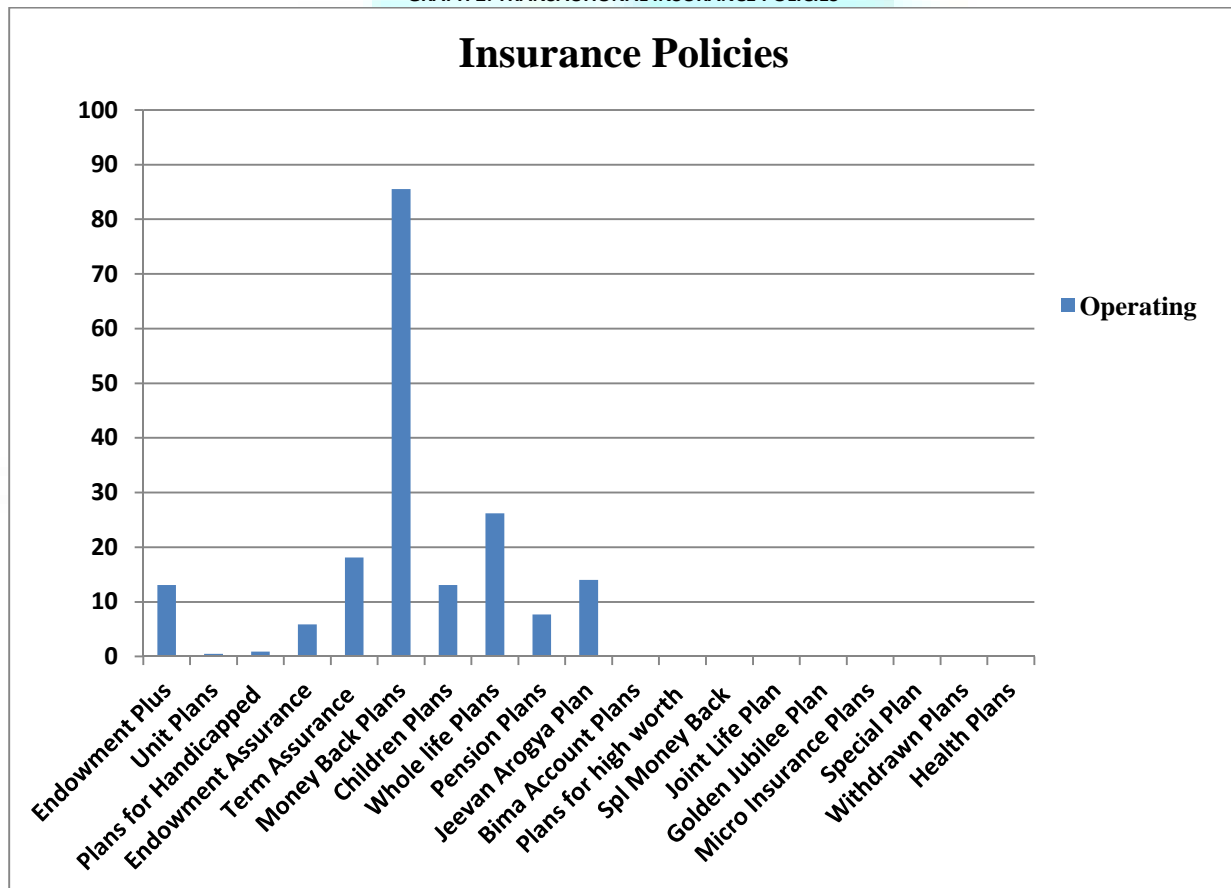


GRAPH 1: CUSTOMERS' AWARENESS OF PRODUCTS



From the demographical profile of the customers, researcher also observed that at present customers' best choice of insurance policy is 'Money Back Plans' which has occupied highest transactional percentage (85.5%). This is basically a short term investment plan. The second and third biggest present transactional policies are 'Whole life Policies' (26.2%) and 'Term Assurance' (18.1%). It was also found that 14% customers are transacting the 'Jeevan Arogya Plan' where as 'Endowment Plus' and 'Children Plans' policies are being transacted by 13.1% customers. 7.7% customers are transacting 'Pension Plans', 5.9% customers are transacting 'Endowment Assurance Plan', 0.9% customers are transacting 'Handicapped Policies', 0.5% customers are transacting 'Unit Plans' policies and in case of rest of the policies, the transactional percentage is 0. Graphically above discussion can be presented in the following way:

GRAPH 2: TRANSACTIONAL INSURANCE POLICIES



From the above discussion, the present scenario of the customers' product awareness and their current transaction with the various policies of the Life Insurance Corporation of India are came out in the following manner:

TABLE 2: CUSTOMERS' PRODUCT AWARENESS AND THEIR CURRENT TRANSACTION

Policy Type	PA	PT	PA - PT
Endowment Plus	41 ( 18.6 )	29 ( 13.1 )	12 ( 5.5 )
Unit Plans	19 ( 8.6 )	1 ( 0.5 )	18 ( 8.1 )
Plans for Handicapped Dependents	7 ( 3.2 )	2 ( 0.9 )	5 ( 2.3 )
Endowment Assurance Plans	35 ( 15.8 )	13 ( 5.9 )	22 ( 9.9 )
Term Assurance Plans	103 ( 46.6 )	40 ( 18.1 )	63 ( 28.5 )
Money Back Plans	207 ( 93.7 )	189 ( 85.5 )	18 ( 8.2 )
Children Plans	52 ( 23.5 )	29 ( 13.1 )	23 ( 10.4 )
Whole life Plans	132 ( 59.7 )	58 ( 26.2 )	74 ( 33.5 )
Pension Plans	63 ( 28.5 )	17 ( 7.7 )	46 ( 20.8 )
Jeevan Arogya Plan	82 ( 37.1 )	31 ( 14.0 )	51 ( 23.1 )
Bima Account Plans	24 ( 10.9 )	00 ( 0.0 )	24 ( 10.9 )
Plans for high worth individuals	3 ( 1.4 )	00 ( 0.0 )	3 ( 1.4 )
Special Money Back Plan for Women	17 ( 7.7 )	00 ( 0.0 )	17 ( 7.7 )
Joint Life Plan	4 ( 1.8 )	00 ( 0.0 )	4 ( 1.8 )
Golden Jubilee Plan	8 ( 3.6 )	00 ( 0.0 )	8 ( 3.6 )
Micro Insurance Plans	2 ( 0.9 )	00 ( 0.0 )	2 ( 0.9 )
Special Plan	13 ( 5.9 )	00 ( 0.0 )	13 ( 5.9 )
Withdrawn Plans	5 ( 2.3 )	00 ( 0.0 )	5 ( 2.3 )
Health Plans	14 ( 6.3 )	00 ( 0.0 )	14 ( 6.3 )

\* Percentage (%) in parenthesis

\*\* Legends used: PA- Product Awareness and PT- Product Transaction.

From the above Table 2, it is easy to observe that there exists gap in between customers' product awareness and their current transaction with the various policies of the Life Insurance Corporation of India where maximum gap (33.5%) exists with the product of 'Whole life Plans' and minimum gap (0.9%) exists with the product of 'Micro Insurance Plans'. In case of 'Term Assurance Plans' this gap is 28.5%. 23.1% gap exists in case of 'Jeevan Arogya Plan', 20.8% gap exists in case of 'Pension Plans', 10.9% gap exists in case of 'Bima Account Plans', 10.4% gap exists in case of 'Children Plans' where the percentage of gap in case of 'Endowment Assurance Plans', 'Money Back Plans', 'Unit Plans', 'Special Money Back Plan for Women', 'Health Plans', 'Special Plan', 'Endowment Plus', 'Golden Jubilee Plan', 'Plans for Handicapped Dependents' & 'Withdrawn Plans', 'Joint Life Plan' and 'Plans for high worth individuals' are respectively 9.9, 8.2, 8.1, 7.7, 6.3, 5.9, 5.5, 3.6, 2.3, 1.8 and 1.4.

## CONCLUSIONS

The study of investigation of gap in between customers' product awareness and their current transaction with the various policies of Life Insurance Corporation of India (LIC) conducted in Burdwan district revealed that there exists significant gap in every cases of the life insurance policies offered by the LIC in the market. Study also pointed out that though a number of customers are aware of the different types of LIC policies but based on their requirement they are selecting a few of these policies and performing their transaction in their real life. So, it is expected that realizing the wide scope of business opportunity, through vigorous product awareness, product innovation, promotional activities and innovative strategies, the Life Insurance Corporation of India should try to make aware the large untapped population of India about its different kinds of products available in the life insurance market as well as should try to bring these people into their organization in order to strengthen and extend their business activities in future.

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