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THE POTENTIAL EFFECTS OF MANDATORY AUDIT FIRM ROTATION: EVIDENCE FROM NIGERIA

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ABSTRACT

This study examines the possible effects of mandatory audit firm rotation on ability of the auditor to detect material reporting issues, auditor independence, financial reporting failures, audit fees and competition in the audit market from the perspective of various stakeholders. It presents the results from a questionnaire survey of a sample of auditors, Bank loan executives and financial analysts. The data were subjected to the one-way analysis of variance (ANOVA). The study found that there is a negative relationship mandatory auditor rotation and the ability of the auditor to detect material reporting issues and financial reporting failures. It also finds that there is a positive relationship between mandatory auditor rotation and auditor independence, audit fees, and audit market competition. It therefore called for an implementation of a mandatory audit firm rotation in Nigeria, among other issues.

KEYWORDS

Audit Cost, Auditor Independence, audit market competition, Audit Quality, Audit Rotation.

INTRODUCTION

In the past few years, auditors have been blamed due to the roles they played in the mega corporate scandals such as Enron, Worldcom, Global Crossing, Imclone and Tyco International among others (Rohami et al, 2007). The criticisms have revived the age long issue of auditor independence and the attendant issue of audit quality. One of the major issues in contention is that if auditors audit clients for a long time, they are likely to become familiar with the management of such client companies and consequently have their independence eroded. This has led to a call for the tenure of auditors with clients to be limited. The need for a mandatory audit firm rotation rule has been debated for decades both by academics (Arrunda and Paz-Ares, 1997; Dopuch et al, 2001, Myers et al, 2003; Cameran et al, 2008) and by practitioners (Mautz and Sharaf, 1961; Hoyle, 1978; Bates et al, 1982; AICPA, 1992, 1995; EFAA 1998; Brody and Moscovice, 1999; NYSE, 2002; ICAE, 2002; Healey and Kim 2002; ICC, 2005; SEC, 1994). This debate gathered momentum in recent years because of the recent financial reporting scandals (worldCom, Enron, Parmalat etc). Requiring audit firms to periodically relinquish their clients has often been suggested as a way to enhance auditors' independence and objectivity (Wolf et al, 1999). Mandatory auditor rotation is required by several countries such as Italy and Spain and is contemplated by others (Marshal and Raghunandan, 2002). The sarbanes Oxley Act of 2002 did not require mandatory auditor rotation. It only mandated the study of mandatory auditor rotation by the comptroller general of the United States to be completed within one year of the passage of the Act. The study has since been completed by the U.S General Accounting office (G.A.O) which concluded that mandatory audit firm rotation may not be the most efficient way to strengthen auditor independence (U.S GAO, 2002).

The Proponents of Mandatory auditor rotation have generally been concerned with a deterioration of auditor independence, and its effects on audit quality, as the length of tenure increases. They argue that there is a tendency for auditor's overtime, to gradually align with the wishes of management and therefore not act completely independent (Marshal and Raghunandan, 2002). However, opponents of this view, particularly the accounting profession, have argued that mandatory rotation increase audit start-up costs and increase the risk of audit failure because the incoming auditor places increased reliance on the clients estimates and representations in the initial years of an engagement. According to the opponents of mandatory audit firm rotation, over time auditors gain firm-specific expertise which helps them to understand the business and allow them to rely less on management estimates. Managers of firms are also opposed to mandatory rotation because changing auditors is costly. These managers believe that auditors better understand their particular business with experience and managers have concern about whether a new auditor will have the requisite industry expertise and/or will be able to put forth the additional effort required to audit a new client (Dunham, 2002). The implication of the foregoing is that a lot of issues have not been settled on the mandatory rotation of audit firms. The research questions which are raised to address these issues are (i) What is the relationship between auditor tenure and the ability to detect material financial reporting issues?; (ii) Is there any relationship between auditor tenure and auditor independence? (iii) What is the nature of the relationship between auditor tenure and audit failure? (iv) What is the relationship between mandatory auditor rotation and audit costs/fees? (v) Does mandatory auditor rotation contribute significantly to a fair competition in the audit market?

LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

The quality of the auditors' report is a critical ingredient in assessing the credibility of financial statements. However the auditor can hardly produce quality audit reports if he is not independent of the audit client. If the auditor lack independence, he is likely to give a biased opinion on the financial statements audited by him. One of the factors that could easily erode the auditor's independence is a close relationship with the client company brought about by long audit tenure with a particular client. Prior studies have documented two view points of the effect of audit tenure on the credibility of financial statements (Shafie, et al, 2007). According to one view, long association between a client and an audit firm may lead to impaired auditor independence (Geiger and Raghunandan, 2002). In the United State of America, the Metcalf committee Report argued that long association between a corporation and an audit firm may lead to such close identification of the accounting firm with the interests of the client's management that truly independent action by the accounting firm becomes difficult. The report therefore suggests a mandatory auditor rotation as a way to reduce the dependence of auditors on clients (Geiger and Raghunandan, 2002). Long ago, it was noted that long association can lead to auditor independence problems due to the fact that a slow, gradual and honest disinterestedness would be the greatest factor that impair auditor independence. It was therefore suggested that a mandatory auditor rotation regime would improve audit quality by reducing client's ability to adversely influence the auditor's judgments (Brody and Moscovice, 1998) and minimize auditor independence threats (Geiger and Raghunandan, 2002). Various researches have found that long auditor tenure would rather decrease audit quality (Deis and Giroux, 1992; O Keffe, Simunic and Stein, 1994; Raghunandan, Lewis and Evans, 1994). Vanstraelen (2000) finds a negative relationship between auditor tenure and auditor opinion and supported mandatory audit firm rotation. Dopuch, king and Schwartz (2001) conducted an experimental research and find that auditors are less likely to be biased in their reporting if rotation is required. They also find, however, that mandatory auditor rotation also increases the magnitude of investment to improve financial reporting quality.

Teoh and Lim (1996) find that retention of auditors for over five years would influence and impair auditor independence. They also agree that audit firm rotation would improve auditor independence.

Following the Sarbanes Oxley Act of 2002, the U.S General Accounting office (GAO) conducted a survey on mandatory Audit firm rotation and conclude that "mandatory audit firm rotation may not be the most efficient way to strengthen auditor independence" (GAO, 2003:5). In the other view point, maintaining the same audit firm for a long time was more economical to the client due to high start up costs when client rotate auditors. According to Geiger and Raghunandan (2002), audit firms tend to reduce their audit fees in the early year of engagement to attract clients. Low-balling requires audit firms to seek for longer audit engagement with their clients so that they could recover back their loss in the early year. Stince (1991), examines the relationship between auditor tenure and a lawsuit. In the study, he finds that auditor tenure was shorter for those audit engagements that resulted in law suits.

Many countries have been practicing mandatory auditor rotation though in different forms and with different requirements. Italy has required mandatory audit firm rotation since 1975 and it has also considered audit partner rotation (GAO, 2003). According to GAO (2003) Singapore started mandatory auditor rotation in March, 2002 while Austria started the operation in 2004. Spain had a stint with mandatory auditor rotation requirement between 1989 and 1995. Many other Countries, however, require audit partner rotation. In 2003, the United Kingdom adopted the recommendations of the co-coordinating group in Audit and Accounting Issues (CGAA) to strengthen the audit partner rotation requirements by reducing the maximum period of rotation for the lead partner from 7 years to five years. The United States out rightly rejected the idea of an audit firm rotation requirement (GAO, 2003). The French code of accounting ethics had required audit partner rotation since 1998. In Japan, Audit partner and review partner rotation requirement had been in force since May 2003.

The major implementation issues on mandatory audit firm rotation are (i) the maximum number of years to be spent on an audit (2) The type of companies covered. Different countries have adopted different time periods over which an auditor may audit an audit client before being disengaged mandatorily. In Italy, the same audit firm may serve as the auditor of a company for a maximum of 9 years. After that there is a minimum time lag of 3 years before the auditor can return. In Brazil, there is a maximum term of five years and a minimum time lag of 3 years before the auditor can return. In Singapore, Banks incorporated in Singapore cannot appoint the same auditor for more than 5 consecutive financial years but a time out period is not stipulated. The listed companies are only subject to audit partner rotation with a maximum of five years stay before rotation. Austria has a 6 years mandatory audit firm rotation with a time tag of 1 year before any reappointment is allowed. In the United Kingdom, the maximum period for audit partner and review partner rotation is currently 5 years. Spain has a mandatory audit firm rotation requirement with a maximum of 9 years, which included mandatory retendering every 3 years between 1989 and 1995. Then from 1995, the law was amended such that after the mandatory 9 years, the audit firm can be reappointed on an annual basis. From November 2002, all audit engaged team members (including audit partners, manager's supervisor and junior staff) have to rotate after 7 years in certain types of companies. In the Netherlands, the maximum period for rotation of the engagement audit partner is 5 years. In Japan, the audit partners and review partners are prohibited from being engaged in auditing the same listed company over a period of 7 consecutive years.

The other issue is whether there should be a uniform application of mandatory auditor rotation requirement to all companies. In Italy, mandatory audit firm rotation is limited to listed companies, the same thing as Brazil. In Singapore, mandatory audit firm rotation is applicable only to banks incorporated in Singapore while mandatory audit partner rotation is applicable to listed companies. In Austria, the mandatory audit firm rotation requirement applies only to public companies.

From the foregoing, it can be seen that generally there has not been a consensus on the effect of mandatory auditor rotation on overall audit quality and effectiveness. In the remaining part of this section, specific issues and dimension of mandatory audit for firm rotation are examined and related hypotheses developed.

AUDITORS ABILITY TO DETECT FINANCIAL REPORTING ISSUES

For the auditor to be able to issue a quality audit report, he should be able to detect material financial reporting issues in the financial statements presented to him by the client's management. The issue then is how mandatory audit firm rotation will affect the auditor in this regard. De Angelo (1981) stated that the quality of auditors is divided into two. The first is the ability to detect anything misleading in financial statements of the client while the second is the willingness to report the misleading information. The first is the competence and skills of the auditor to detect any fraud or error while the second is related to the auditors' independence. It has been argued that under mandatory auditor rotation, new audit firms provide a fresh look at clients operations and financial reporting practices. This, opponents of mandatory audit firm rotation argue, adversely affect the likelihood that a new auditor will detect financial reporting issues that may materially affect a company's financial statements. According to this view, new auditors lack sufficient knowledge regarding firm specific risks and as a consequence, audit failures would likely increase (Myers *et al*, 2003) This result was also affirmed by the study carried out by the U.S. General Accounting Office (GAO, 2003). Thus there is a general consensus that under mandatory auditor rotation, there is an increased risk of audit failure that may result from the new auditor's lack of specific knowledge of the client's operations, systems, and financial reporting practices. We thus formulate the following hypothesis:

H1: There is a negative relationship mandatory auditor rotation and the ability of the auditor to detect material financial reporting issues.

MANDATORY AUDIT FIRM ROTATION AND AUDITOR INDEPENDENCE

It is argued that mandatory auditor rotation puts auditors in a stronger position to resist management pressures and thereby allows auditors to exercise more objective professional judgment (Brody and Moscové, 1998) The proponents of mandatory audit firm rotation have generally been concerned with a deterioration of auditor independence, and its effect on audit quality, as the length of auditor tenure increases. They argue that there is a tendency for auditors, over time to gradually align with the wishes of management and thus not act completely independent (Geiger and Raghunandan, 2002; Brody and Msocove, 1998; Gietzman and Sen, 2002; Healy and Kim 2003; Kaplan, 2004; Moore *et al*, 2006). It is argued that pressure on the audit firm and engagement partners to retain clients is a critical factor in whether or not they will deal appropriately with material financial reporting issues when there is no mandatory audit firm rotation. Under mandatory audit firm rotation, the incumbent auditor's knowledge that a new firm must replace it at the end of a specified tenure will positively affect the audit firm in dealing appropriately with material financial reporting issues (GAO, 2003). There are however opposing views to this. Opponents of mandatory audit firm rotation have noted that auditors may be influenced more by the management of a newly acquired client than for a client that has been audited for a longer period. According to this school of thought, incumbent auditors earn quasi-rents due in part to the high start up costs incurred by the auditor and the client. Thus the recently acquired quasi-rents of incumbency may make new auditors more vulnerable to threats of dismissal in the earlier years of the auditor-client relationship. Additionally, auditors with short tenures may be concerned about reputation effects if they are perceived as being "fired" shortly after obtaining a new client (Geiger and Raghunandan, 2002). Also there is analytical research evidence that auditor independence may be more threatened during the early year(s) of an audit engagement due to the temptation to appease new clients in an attempt to extend the quasi-rents of incumbency (Elitzur and Falk, 1996).

Thus there is an unsettled controversy on the effect of mandatory auditor rotation on auditor independence. We therefore hypothesize that:

H2: There is a positive relationship between mandatory auditor rotation and auditor independence.

MANDATORY AUDIT FIRM ROTATION AND AUDIT QUALITY/REPORTING FAILURE

There is much controversy in the literature as to the effect of mandatory auditor rotation on audit quality/reporting failure. The controversy centers on whether audit quality is lower in the earlier year than in the latter years of an auditor's engagement. Proponents of mandatory audit firm rotation are generally concerned that auditor independence and thus audit quality will decrease with increased auditor tenure (Myers *et al*, 2003). This is the primary argument for mandatory auditor rotation (Carcello and Naggy, 2004). According to them, audit quality may be lower when auditor's tenure is long for at least two reasons. First, long auditor tenure could lead to complacency among the audit team members. Some clients gain a reputation inside the accounting firm as having strong financial reporting controls, accurate financial statements, and top management with integrity and competence. If the audit team expects these to continue into the future, then the vigor and skepticism brought to the audit engagement decline with tenure. On the other hand, a new audit firm could bring to bear skepticism and a fresh perspective that the incumbent auditor lacks (Commission on Public Trust and Private Enterprise, 2003; Silvers, 2003). Secondly, long standing clients of an audit firm may be viewed as a source of a perpetual annuity. De Angelo (1981) argues that an existing audit client provides the auditors

with client-specific quasi-rents, an annuity representing the rents (the present value of excess audit fees over audit costs) the auditor expects to receive over the life of the auditor client relationship. Viewing the client as the source of a perpetual annuity may compromise the auditors' independence. Rotation of auditors would also reduce any financial incentives for external auditors to compromise their judgment on borderline accounting issues. In disagreeing with management, auditors would no longer be risking a stream of revenues that would continue in "perpetuity" since the audit engagement would no longer be previewed as permanent (Carcello and Naggy, 2004).

On the other hand, opponents of mandatory audit firm rotation argue that audit quality is lower in the early years of an auditor-client relationship (St. Pieire and Anderson, 1984; AICPA, 1992; O'Malley, 2002; BDO Seidman, 2003). Audit quality and therefore reporting failures, are alleged to be lower in the early years of the relationship because the auditor is unfamiliar with the client's business, operations systems, controls, and accounting policies (BDO Seidman, 2003). Also a new auditor may be unfamiliar with industry error patterns. It has been found that there is a relation between industry group and both financial statement error patterns (Melalta and Wright, 1996) and fraudulent financial reporting (Beasley, et al, 1999, 2000). The above controversy led us to formulate our third hypothesis:

H3: There is a positive relationship between mandatory auditor rotation and audit quality /financial reporting failure.

MANDATORY AUDIT FIRM ROTATION AND AUDIT COSTS/AUDIT FEES

Opponents of mandatory audit firm rotation rule have argued that the rule has a considerable impact upon the overall costs of audit service. This is true at least for the first few years of activities carried out in a new appointment (Cameran, *et al*, 2003). During the first few years of a new appointment more man-hours are necessary together with the implementation of more qualified resources than those usually employed during the auditing of financial statements in the following years. According to Cameran et al (2003), this "training period" is never less than two to three years for complex groups that operate in an international level. According to a research, European accounting firms estimate that their costs would be 15% higher for new clients in a familiar industry and about 25% higher for those in unfamiliar industrial sectors when they engage an audit client for the first time (Ridyard and De Bolle, 1992). According to GAO (2003), opponents of mandatory audit firm rotation believe that more frequent changes in auditors likely to occur under mandatory audit firm rotation will result in the public accounting firms and ultimately public companies incurring increased costs for audits of financial statements. These costs were listed as (1) Marketing costs (the cost incurred by firms related to their efforts to acquire or retain clients); (2) Audit costs (the costs incurred by audit firms to perform an audit of a client); (3) Audit fee (the amount charged by an audit firm to audit a client company); (4) Selection cost (the internal costs by a company in selecting a new audit firm); (5) support costs (the internal costs incurred by a company in supporting the audit firm's efforts to understand the company's operations, systems, and financial reporting practices). Without a mandatory audit firm rotation, these companies are more likely to absorb their higher initial year audit costs rather than pass them to the audited companies in the form of higher audit fees because of the firm's interest in retaining the audit client. However, when the companies must rotate under a mandatory rotation rule, they may have no alternative than to pass the higher costs to the audit clients (GAO, 2003). Thus, we hypothesize as follows:

H4: There is a positive relationship between mandatory auditor rotation and audit costs/ audit fees.

MANDATORY AUDIT FIRM ROTATION AND AUDIT MARKET COMPETITION

Although mandatory audit firm rotation is generally considered by its proponents as a means of enhancing auditors independence and audit quality, mandatory rotation may also provide increased opportunities for some audit firms to compete to provide audit services to companies (GAO, 2003) But according to the GAO survey, this will not however, increase the number of audit firms willing and able to compete for company audits. There are diverse opinions on how mandatory audit firm rotation will affect competition in the audits market. Some are of the opinion that mandatory auditor rotation will indeed reduce the number of firms competing in the audit market. According to one argument, if small firms realize that they would be required to rotate off-of engagements after a period of time, they will be less likely to serve those clients and put time and effort to them. As a result, fewer firms will be interested in serving these companies unless they see an increased opportunity to obtain replacement clients in the future. However, the ability of smaller firms to attract large companies is difficult. We therefore hypothesize that:

H5: There is a positive relationship between mandatory audit firm rotation and fair competition in the audit market.

METHODOLOGY

The research design is a structured cross sectional survey of a stratified random sample of 240 respondents in Edo and Delta States of Nigeria. The research is on the effects of mandatory auditor rotation on auditor independence and audit quality in Nigeria but due to resource constraints and the difficulty in accessing every possible respondent in Nigeria, the study was limited to Edo and Delta States. The respondents were drawn from among three groups (a) Financial Analysts; (b) Registered auditors and (c) Users (Bank Loan Executives). The registered Auditors were drawn from the list of Auditors in practice in Edo and Delta States as contained in the 2009 Membership Year Book of the Institute of Chartered Accountant of Nigeria. The list of Bank Loan Executives was drawn from the banks operating in Benin City (Edo State) and Asaba (Delta State). The bank loan Executive serves as a proxy for users of financial statements. The financial analysts groups was drawn from the list of members of the Institute of Chartered Accountants of Nigeria, the Chartered Institute of Taxation of Nigeria, the Institute of Chartered secretaries and Administration of Nigeria and the Chartered Institute of stock Brokers who are based in Edo and Delta States. The respondents were surveyed through questionnaires.

The five point Linkert scale was used in the design of the questionnaire. The Linkert scale has been one of the most widely and successfully used technique to measure attitudes (Donald *et al*, 1955). See also Linkert (1932:13). The scale was constructed by assembling a number of statements about auditor's independence in Nigeria. The respondents were asked to indicate whether they strongly agree, agree, undecided, decided disagree or strongly disagree with each of the series of statements. The questionnaire consists of two parts. Part 1 contains questions on information about the respondents for purposes of respondent's classification, and part II consists of question on issues of the impact of mandatory auditor rotation.

Various descriptive statistics were used in analyzing the data while the one way analysis of variance (ANOVA) was used as the inferential statistical procedure to test the hypotheses.

RESULTS

During the data gathering exercise a total of 210 questionnaires were administered to the three groups with each group receiving no questionnaires. Table 1 in the appendix shows the distribution of the questionnaires and the response rates. In order to avoid group dominance in the result of the research equal number of respondents were selected from the various groups. The minimum response of 25 from the bank Loan Executive group was used as the reference datum for selecting the other two groups. The questionnaires consequently analyzed are shown in table 2. The demographic characteristics of the respondents in those responses were analyzed are shown in table 3.

AUDITORS ABILITY TO DETECT FINANCIAL REPORTING ISSUES

The analysis of the responses to the questionnaire are contained in table 4, 5,6 and 7, for the combined group, Analyst, Users and Auditors' groups, respectively. From table 6, there is a strong support for the proposition that under mandatory audit firm rotation, there is the likelihood that a new auditor is unlikely to detect material financial reporting issues because new audit firms have to provide a fresh look at client's operations. The support cuts across the three groups with means of 3.72 (and standard deviation of 0.879), 3.92 (and a standard deviation of 0.708), 3.48 (and a standard deviation of 0.823) and 3.76 (and a standard deviation of 1.052) for the Combined, Analysts, Users and Auditor groups, respectively. There is also support for the proposition that a new audit firms initial level of knowledge of the clients' specific operation and financial reporting practiced increases the risk that the new audit will not detect material misstatement in the financial statements during the first year of the auditors tenure. Over 90% of the combined respondents either strongly agree or disagree with only about 2.6% either disagree or strongly disagree. Only 5.3% are not sure. The support is uniformly distributed among these groups. The mean support for the statement are 4.2, 4.48, 4.32 and 4.00 for the Combined, Analysts, Uses and Auditor groups, respectively.

The third statement under the section is that the lack of specific knowledge of a new auditor of the clients operations and financial reporting practice increases the risk that the new auditor will not detect material misstatements in the financial statements during the first year of the auditor's tenures. The respondents also supported the statement with means of 4.08, 4.28, 3.62 and 4.28 respectively for the combined analyst's users and auditors group respectively. The last statement under the auditor's ability to detect material financial reporting issues is that the inability to detect material reporting issues is higher in a new audit firm because the new audit firm is likely to place heavy reliance on information provided by the client. Again there is support across the three groups for the statement with means of 3.52, 3.68, 3.44 and 3.48 for the combined, analysts, users and auditor groups respectively

AUDITOR INDEPENDENCE AND MANDATORY AUDIT FIRM ROTATION

This section deals with the perception of auditor independence given mandatory audit firm rotation. The first statement in this series is that pressure on the firm and engagement partners to retain clients is a factor in whether or not they will deal appropriately with material reporting financial issues when there is mandatory audit firm rotation compared with when there is no mandatory audit firm rotation. There is a strong support for this proposition with over 95% of the combined respondents either strongly agreed or agreed and only about 17% not sure. No respondent disagreed or strongly disagreed. This same level of support was extended to the remaining proposition in this section namely: (i) that under mandatory audit firm rotation the incumbent audit firm knowledge that a new audit firm must replace it at the end of a specified tenure will positively affect the audit firm in dealing appropriately with financial reporting issued; and(ii) that placing a limit on an audit firm tenure will positively affect the audit firm in dealing appropriately with financial reporting issue.

AUDIT QUALITY AND AUDIT FAILURE

From the analysis, 25.3%, 60.0% and 14.7% of the combined respondents strongly agreed, agreed and not sure respectively that lengthy audit firm tenures may lead to impaired auditor independence which in turn reduces audit quality. This result gives a mean of 4.11, 4.16, 4.08 and 4.08 for the combined group, analyst, users and auditors respectively. There was also clear affirmative support for the remaining statements in the section that: (i) the risk of an audit failure is likely to increase as the audit firms tenure increases due to familiarity with the clients management and the desire to retain the client over many years;(ii) the risk of an audit failure is likely to increase as the audit firm become too familiar with the audit approach and procedure;(iii) that rotation of audit firms would reduce any financial incentives for auditors to compromise that position on borderline accounting issues. These last three statements did not have any disagree or strongly disagree, response.

AUDIT RELATED COSTS AND FEES

This section deals with the cost implication of having a regime of mandatory audit firm rotation. There is a strong agreement that mandatory audit firm rotation is likely to increase audit costs and that these will result in indirect audit fees. 45.3%, 45.3% and 9.3% of the combined respondents strongly agreed, agreed and are not sure respectively that an audit firms initial year audit costs are likely to exceed the firms subsequent annual audit cost. No respondent either disagreed or strongly disagreed with this. The means response is 4.36, 4.20, 4.40 and 4.44 for the combined group, analysts, users and auditors, respectively. There is also a strong support for the position that under mandatory audit firm rotation, firms are likely to increase audit fees during the new limited audit tenure period to be able to receive any additional initial year cost incurred to fully understand the clients operations and reporting practices. the results were 3.89, 3.56, 3.76 and 4.28 respectively for the combined group analysts, uses and auditors, respectively strong support was also given to the following proposition on audit related cost and fees (i) under mandatory audit firm rotation, audit firms are more likely to incur additional marketing costs associated with the increased opportunities to compete for new audit clients; (ii) additional marketing costs that are likely to be passed to the audit client through higher audit fees ; (iii)if an auditor is replaced through a competition among increased firms under mandatory audit firm rotation, the client company will incur selection costs associated with holding the competition; (iv) in the whole the potential costs are likely to be significantly higher than the potential benefit that my result from mandatory audit firm rotation.

MANDATORY AUDIT FIRM ROTATION AND AUDIT COMPETITION

This section examined the likely effects of mandatory audit firm rotation on the level of competition in the audit market. Respondents generally agreed that mandatory audit firm rotation is likely to increase opportunities of audit firms to provide audit services to clients. 33.3%, 50.7% and 16.0% of the combined respondents strongly agreed, and are not sure respectively with no respondents disagreeing or strongly disagreeing. The support is fairly distributed among the various groups of respondents. The mean responses were 4.12, 4.28,4.0 and 4.24 for the combined group, analysts, users and auditors respectively. The analysis also shows a support for the statements that rotation is likely to result in a fairer distribution of audit firms able and willing to compete for audit clients among a greater number of audit firms and mandatory audit firm rotation is likely to increase the total number of audit firms. 33.3%, 56% and 10.7% of the combined respondents strongly, agreed, agreed and are not sure respectively that mandatory audit firm rotation is likely to result in a fairer distribution of audit clients among a greater number of audit firms. This represents mean responses of 4.23, 4.04, 4.24 and 4.40 for the combined group, analysts, users and auditors respectively.

IMPLEMENTING MANDATORY AUDIT FIRM ROTATION

This section elicited respondent opinions on various ways of implementing mandatory audit firm rotation if a decision to that effect is taken. The first of such issues that was the limit on the incumbent auditor's tenure. The choice of three to four years had a mean response of 3.85, 4.08, 4.00 and 3.51. from the combined group, analysts, users and auditors respectively. The choice of five to seven years had a mean response of 2.93, 2.16, 2.24 and 4.40 from the combined group, analysts, uses and auditors, respectively. The choice of eight to ten years had mean responses of 2.49, 2.16, 2.24 and 4.40, respectively. Lastly, the choice of more than ten years did not receive support from any of the group of respondents. The mean response for this choice was 1.65, 1.56, 1.80 and 1.72 for the combined group, analysts, users and auditors, respectively. The next proposition under implementation of mandatory audit firm rotation was that mandatory audit firm rotation should be applied uniformly for audits of all companies regardless of the size or nature of the company. There was a strong support for the proposition by all the groups with mean responses of 4.28, 4.04, 4.24 and 4.52 for the combined group, analysts, users and auditors, respectively. The next preposition contradicted the last one and says that mandatory audit firm rotation should be applied only to the quoted companies. There was complete rejection of the proposition by all the group of respondents. The mean responses for the proposition were 2.36, 2.20, 2.25 and 2.69 for the combined group analysts, users and auditor respectively. The second to the last proposition says that the introduction of mandatory audit firm rotation should be implemented over a period of years (staggered) on a reasonable basis to avoid a significant number of companies changing audit firms simultaneously. There was a strong support for this. The mean of the combined group was 4.08 while that of the various groups were 3.92, 3.80, and 4.52 for the analysts, users and auditor respectively.

The last but not the least proposition was that to ensure quality at the initial year in a mandatory audit firm rotation regime, the audit firm should be required to perform additional audit procedures that would ensure that material financial reporting issues are detected. There was an affirmative support for this with mean responses of 3.99, 4.32, 4.28 and 3.36 for the combined group, analyst, users and auditors respectively.

TEST OF HYPOTHESIS

Table 8 shows a summary of the result of the testing of the hypothesis. The first hypothesis says that there is a negative relationship between auditor tenure and the ability of the auditor to detect material financial reporting issues. The hypothesis was tested using questions 1, 2 and 3. The result shows a calculated value of 3.597 which is greater than the critical value of 3.14. Thus the hypothesis was accepted. The second hypothesis says that there is a positive relationship between auditor tenure and auditor independence and it was tested with questions 5, 6 and 7. The result shows a calculated value of 20.297 which is far greater than the critical value of $f = 3.14$. The hypothesis is thus again accepted. Hypothesis 3 says that there is a positive relationship between auditor tenure and financial reporting failure. The hypothesis was tested using question 8, 9 and 10 and it yielded a calculated value of $f = 7.343$ which is greater than the critical value of $f = 3.14$. Thus the alternative hypothesis was accepted. Hypothesis 4 which says that there is a positive relationship between mandatory auditor rotation and higher audit fees was tested with questions 12, 13, 14, 15, 16 and 17. It yielded a calculated value of $f = 3.540$ which is greater than the table value of $f = 3.14$, hence the hypothesis was accepted. Hypothesis 5 says that there is a positive relationship between mandatory audit firm rotation and fair competition in the audit market. The hypothesis was tested with questions 18, 19 and 20. The hypothesis testing yielded a calculated value of $F = 5.271$ which is higher than the table value of 3.14. Thus the hypothesis is accepted.

DISCUSSION OF RESULTS

In this section, we examine the implication of the results for the issues raised on mandatory audit firm rotation. The results have shown that respondents believe that under a regime of mandatory audit firm rotation a new audit firm will have to take a fresh look to familiarize him with the client's specific operations and financial reporting practices. It will take some time for the auditor to be fully apprised of the client's situation. As a result, the auditor may have to place heavy reliance on the information provided by the client management. The net effect is that a new auditor may not be able to detect some material reporting financial issues. Thus, mandatory audit firm rotation will from this perspective likely increase the risk of audit failure. This is similar to the findings of Myers et al (2003), GAO (2003) among others.

On the relationship between mandatory audit firm rotation and auditor independence, the results indicate that because of the need to retain audit clients, auditors may not deal appropriately with material financial reporting issues when there is no mandatory auditor rotation. But where it is certain that at the end of a given period, the auditor must leave the audit client, then the auditor will no longer be under pressure and would want to report appropriately. Also the results have indicated that the perception of auditor's independence will increase if there is a mandatory limit on the auditor's tenure. This position conform will the result of some earlier studies (Geiger and Ragnnanda, 2001, Brody and Moscovice, 1998; Gielman and Sen, 2002; Healey and Kim, 2003; Kaplan, 2004; Moore et al, 2006). The results are also in line with the familiarity threat normally faced by auditors. They ,however, contradicts the dissenting view that auditors are more likely to be influenced in the early years because of their need to recoup their start up costs and to prevent the reputation that a sack in an early may engender (see Elitzur and Falk, 1996).

The next issue is the relationship between mandatory audit firm rotation and audit failure. The results have indicated that lengthy audit firm tenure may lead to impaired auditor independence which in turn leads to audit failure due to the familiarity threat. Thus, according to the results, rotation of audit firms would mitigate the effects of long auditor tenure by removing the financial incentives for auditor to compromise their position on borderline accounting issues. This particular issue has relationship with the issues earlier discussed namely the relationship between mandatory audit firm rotation and auditors ability to detect material financial reporting issues and auditor independence. The result of the analysis indicates that the respondents have given auditor independence pre-eminence over ability to detect material financial reporting issues. This is in line with the findings of (Myers et al 2003; Carcello and Naggy, 2004). By accepting the position, the study has negated the opposing view of mandatory auditor firm rotation which agreed that audit quality is indeed lower in the earlier years (St. Pierre and Anderson, 1984; AICPA, 1992; O'Malley, 2002)

The next issue which the study examined was the relationship between mandatory audit firm rotation and audit related costs and fees. The results indicated that mandatory audit firm rotation is likely to increase audit costs and consequently audit fees. The increase in cost is attributable to the cost of familiarization with the new system by the auditors' additional marketing cost, the cost of hosting the competition for audit job by the client company among others. The results are similar to earlier findings (Cameron et al, 2003, Ridyard and Bolle, 1992, GAO, 2003). Logically the result indicated that increase in cost of audit occasioned by mandatory audit firm rotation is likely to be passed to the client in the form of audit fees.

One of the major issues in mandatory audit firm rotation is the likely affect on audit market competition. There are diverse opinions on this. The result of the study, however, indicates a support for the position that a mandatory auditor firm rotation regime will increase the opportunities for audit firms to provide audit services to clients, increase the number of audit firm willing and able to compete for audit jobs and generally result in a fairer distribution of audit clients, among a greater number of audit firms. This contradicts some aspects of GAO (2003). The GAO (2003) asserted that though mandatory audit firm rotation may increase the opportunities for audit clients, it will not increase the number willing and able to compete. The reason given is that small audit firms may not be willing to invest time and money in audits in which they would be rotated out very soon. The result of our study has revealed that with the lopsided nature of the present audit market in Nigeria which is heavily tilted in favour of the multinational audit firms; mandatory audit firm rotation would indeed be very beneficial to audit market competition in Nigeria

The last group of issues which the study addressed relate to how mandatory audit firm rotation should be implemented to have the desired results. The first of such issues is the length of tenure of an incumbent audit firm. Our results have indicated a preference for a maximum period of 3 to 4 years to be spent on an audit before rotation. However in most countries where mandatory audit firm rotation is currently practiced, the audit firm tenure is fairly longer ranging from about five to nine years. The preference for a shorter tenure by respondents is an indication of the degree of change which Nigerians desire to see in the audit profession. In line with this quest for a complete turn around, the respondents want mandatory audit firm rotation applied to all companies, big or small, quoted or unquoted and irrespective of the sector. This is again contrary to what happen in most other jurisdictions where mandatory audit firm rotation is applied principally to publicly quoted companies and the financial sector.

SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

The study was carried out to examine the necessity or otherwise of having a mandatory audit firm rotation regime in Nigeria, the likely effects of such a regime and the best method of implementing it. The study has revealed the following among others: (i) mandatory audit firm rotation may increase the likelihood of an auditor not detecting material financial reporting issues in the early years of an audit (ii) Long auditor tenure on the other hand, may be associated with higher likelihood of audit reporting failure; (iii) placing a limit on audit firms tenure will positively affect the perception of auditors' independence (iv) Mandatory audit firms rotation will improve audit quality as it will reduce any financial incentives for auditors to compromise their position on borderline accounting issues; (v) Mandatory audit firm rotation is likely to increase overall audit costs and consequently audit fees, (vi) Mandatory audit firm rotation is likely to improve competition in the audit market which will culminate in a fairer distribution of audit clients among a greater number of audit firms.

The issue of mandatory audit firm rotation will continue to be of interest in Nigeria just like in other countries of the world. Some countries like Italy, Singapore, and Austria are already implementing mandatory audit firm rotation while some countries like the United Kingdom and the Netherlands are implementing mandatory audit partner rotation. In most countries of the world including the United State of America, there is neither mandatory audit firm or audit partner rotation. The study has concluded that the present system where by an audit firm can audit a company indefinitely is counter productive. The study has also concluded that limited auditor's tenure will improve audit quality and reduce audit reporting failures in Nigeria. The study will therefore be of particular policy markers who may want to implement mandatory audit firm rotation. It will also be of relevance to the professional accounting bodies. In the absence of statutory pronouncement, the professional bodies can enact rules for their member that may have the same effect. Also, the study will be relevant to shareholders and Board of Directors of Companies. They may wish to implement the recommendation in the study in their respective companies as part of their company policies. Lastly the study will be relevant to the audit firms themselves. In the absence of regulation in this direction from the regulatory agencies, the professional bodies and client companies, audit firms may find the study useful in conducting their audits particularly in the deployment of staff to audit assignments. The audit firms may embark on a policy of mandatory audit partner rotation.

Based on the findings and conclusions above, the following recommendations are made (i) mandatory audit firm rotation should be introduced in Nigeria (ii) The same audit firm should not serve as the auditor of a company for a continuous period of more than five years. (iii) There should be a minimum time lag of four year before an audit firm can return to audit a company (iv) Mandatory audit firm rotation should be applied uniformly to all companies irrespective of the size of the company. Also it should be applied to both quoted and unquoted companies (v) The introduction of mandatory audit firm rotation should be spread over a period of four years to avoid chaos in its implementation. (vi) Audit standards should be reviewed to allow for additional audit procedures that would ensure that material financial reporting issues are detected at the initial period of each audit.

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APPENDIX

TABLE 1: QUESTIONNAIRE DISTRIBUTION

Respondents	No. of Questionnaires administered of	No. of Questionnaires Returned	Response Rate (%)
Analysts	80	40	50.00
Auditors	80	25	31.50
Users	80	30	37.50
Total	240	95	39.58

TABLE 2: QUESTIONNAIRES ANALYZED

Respondents	No of Questionnaires Received	No of Questionnaires Analyzed	No of Questionnaires rejected	%of Questionnaires Analyzed
Analysts	40	25	15	62.50
Auditors	25	25	-	100.00
User	30	25	5	60.00
Total	90	75	15	83.33

TABLE 3: DEMOGRAPHIC CHARACTERISTICS OF RESPONDENTS

AGE	FREQUENCY	PERCENTAGE
21-30years	15	20.00
31-40years	25	33.33
41-50years	20	26.67
51 years and above	15	20.00
Total	75.00	100.00
GENDER		
Male	50	66.67
Female	25	33.33
Total	75.00	100.00
YEARS WORKED		
Under 5 years	15	20.00
06-10years	22	29.33
11-15years	6	8.00
16- 21 years	6	8.00
21-25years	8	10.67
26-30years	8	10.67
31 years and above	10	13.33
Total	75	100.00

TABLE 4: COMBINED RESPONDENTS' DESCRIPTIVE STATISTICS

		SA	A	UD	D	SD	Mea n	Std. Dev.	T. stat
SECTION A: AUDITOR'S ABILITY TO DETECT MATERIAL REPORTING ISSUES									
1	Under mandatory audit firm rotation, new audit firms provide a fresh look at clients operations and financial reporting practice. This adversely affects the likelihood that a new auditor will detect material financial reporting issues.	13 17.3%	34 45.3%	24 32.0%	2 2.7%	2 2.7	3.72	.879	36.669
2	A new audit firm's initial level of knowledge of the clients specific operations and financial reporting practices is lower than that of the previous auditor who has spent some time with the firm. ²	30 40.0%	39 52.0%	4 5.3%	1 1.3%	1 1.3%	4.28	.745	49.724
3	The lack of specific knowledge of a new auditor of the clients operations and financial reporting practices increases the risk that the new auditor will not detect material misstatements in the financial statements during the first year of the auditors tenures.	30 40%	39 52%	4 5.35%	1 1.3%	1 1.3%	4.08	.731	48.350
4	Inability to detect material reporting issue is higher in a new audit because the new audit firm is likely to place heavy reliance on information provided to client management.	3 4.0%	35 46.7%	35 46.7%	2 2.7%	0 0%	3.52	.623	48.932
SECTION B: AUDITOR INDEPENDENCE									
5	Pressure on the firm and engagement partners to retain clients is a factor in whether or not they will deal appropriately with material financial issues when there is no mandatory auditor rotation compared with when there is mandatory audit firm rotation	30 40.0%	34 45.3%	11 14.7%	0 0%	0 0%	4.25	.699	52.675
6	Under mandatory audit firm rotation, the incumbent audit firm's knowledge that a new firm must replace it at the end of a specified tenure will positively affect the audit firm in dealing appropriately with financial reporting issues.	29 38.7%	44 58.7%	2 2.7%	0 0%	0 0%	4.36	.536	70.412
7	Placing a limit on an audit firm's tenure will positively affect the perceptions of the auditor's independence	15 20.0%	31 41.3%	29 38.7%	0 0%	0 0%	3.81	.748	44.159
SECTION C: AUDIT QUALITY AND AUDIT FAILURE									
8	Lengthy audit firm tenures may lead to impaired auditor independence which in turn reduces audit quality.	19 25.3%	45 60.0%	11 14.7%	0 0%	0 0%	4.11	.628	56.668
9	The risk of an audit failure is likely to increase as the audit firm's tenure increase due to familiarity with the client's management and the desire to retain the client over many years.	28 37.3%	39 52.0%	8 10.7%	0 0%	0 0%	4.27	.644	57.399
10	The risk of an audit failure is likely to increase as the audit firm tenure becoming too familiar with auditor's approach and procedure.	14 18.7%	41 54.7%	20 26.7%	0 0%	0 0%	3.92	.673	50.441
11	Rotation of auditors would reduce any financial incentives for auditor to compromise their position on borderline accounting issues.	4 5.3%	40 53.3%	31 41.3%	0 0%	0 0%	3.64	.584	53.934
SECTION D: AUDIT RELATED COSTS AND FEES									
12	An audit firms initial year audit costs are likely to exceed the firms subsequent annual audit costs.	34 45.3%	34 45.3%	7 9.3%	0 0%	0 0%	4.36	.650	58.076
13	Under mandatory audit firm rotation firms are likely to increase audit fees during the new limited audit tenure period to be able to receives any additional initial year and costs incurred to fully understand the clients operations and reporting practices	16 21.3%	35 46.7 %	24 32.0%	0 0%	0 0%	3.89	.727	46.358
14	Under mandatory audit firm rotation audit firms are more likely to incur additional marketing costs associated with the increased opportunities to compute for new audit clients	15 20.0%	39 52.0%	19 25.3%	2 2.7%	0 0%	3.89	.746	45.217
15	Under additional marketing costs that one likely to incur under mandatory audit firm rotation are likely to be posed to audit clients through higher audit fees.	33 44.0%	37 49.3%	5 6.7%	0 0%	0 0%	4.37	.610	62.076
16	If an auditor is replaced through a competition among increased firms under mandatory audit firm rotation the client company will incur selection costs associated with holding the competition.	21 28.0%	40 53.3%	14 18.7%	0 0%	0 0%	4.09	.681	52.033
17	On the whole the potential costs are likely to be significantly higher than the potential benefit of that may result from mandatory audit firm rotation.	34 45.3%	38 50.7%	3 4.0%	0 0%	0 0%	4.41	.572	66.854
SECTION E: AUDIT MARKET COMPETITION									
18	Mandatory audit firm rotation is likely to increase the opportunities of audit firms to provide firm to provide financial audit services to clients.	25 33.3%	38 50.7%	12 16.0%	0 0%	0 0%	4.17	.685	52.744
19	Mandatory audit firm rotation is likely to increase the number of audit firms using and able to compete for audits of companies	23 16.0%	40 53.3%	12 16.0%	0 0%	0 0%	4.15	.672	53.464
20	Mandatory audit firm rotation is likely to result in a fewer distribution of audit clients among a greater number of audit firms.	25 33.35	42 56.0%	8 10.7%	0 0%	0 0%	4.23	.628	58.324
SECTION F: IMPLEMENTATION									
	If mandatory rotation of public accounting firms were required, the limit on the incumbent firm's tenure period should be								
21	Three to four years	11 14.7%	42 56.0%	22 29.3%	0 0%	0 0%	3.85	.651	51.240
22	Five to seven years	11 14.7%	18 24.0%	11 14.7%	25 33.3%	10 13.3%	2.93	1.308	19.417
23	Eight to ten years	1 1.3%	13 17.3%	23 30.7%	23 30.7%	15 20.0%	2.49	1.045	20.671
24	More than ten years	0 0%	1 1.3%	8 10.7%	32 42.7%	34 45.3%	1.68	.720	20.218
25	Mandatory audit firm rotation should be applied uniformly for audits of al companies regardless of the size or nature of the company.	30 40.0%	36 48.0%	9 12.0%	0 0%	0 0%	4.28	.669	55.405
26	Mandatory audit firm rotation should be applied only to the bigger companies	0 0%	4 5.3%	26 34.7%	38 50.7%	7 9.3%	2.36	.729	28.053
27	The introduction of mandatory audit firm rotation should be implemented over a period of year (staggered) on a reasonable basis to avoid a significant number of companies changing auditors simultaneously.	23 30.7%	35 46.7%	17 22.7%	0 0%	0 0%	4.08	.731	48.350
28	To ensure audit quality at the initial year. The audit firm should be require to perform specified traditional audit procedures that would ensure that material financial reporting issues are detected.	17 22.7%	42 56.0%	14 18.7%	2 2.3%	0 0%	3.99	.726	47.566

TABLE 5: ANALYSTS DESCRIPTIVE STATISTICS

SECTION A: AUDITOR'S ABILITY TO DETECT MATERIAL REPORTING ISSUES								
1	Under mandatory audit firm rotation, new audit firms provide a fresh look at clients operations and financial reporting practice. This adversely affects the likelihood that a new auditor will detect material financial reporting issues.	5 20.0%	13 52.0%	7 28.0%	0 0%	0 0%	3.92	.702
2	A new audit firm's initial level of knowledge of the clients specific operations and financial reporting practices is lower than that of the previous auditor who has spent some time with the firm.Q2A	12 48.0%	13 52.0%	0 0%	0 0%	0 0%	4.48	.510
3	The lack of specific knowledge of a new auditor of the clients operations and financial reporting practices increases the risk that the new auditor will not detect material misstatements in the financial statements during the first year of the auditors tenures.	9 36.0%	14 56.0%	2 8.0%	0 0%	0 0%	4.28	.614
4	Inability to detect material reporting issue is higher in a new audit because the new audit firm is likely to place heavy reliance on information provided to client management.	2 8.0%	14 56.0%	8 32.0%	1 4.0%	0 0%	3.68	.690
SECTION B: AUDITOR INDEPENDENCE								
5	Pressure on the firm and engagement partners to retain clients is a factor in whether or not they will deal appropriately with material financial issues when there is no mandatory auditor rotation compared with when there is mandatory audit firm rotation	17 68.0%	8 32.0%	0 0%	0 0%	0 0%	4.86	.476
6	Under mandatory audit firm rotation, the incumbent audit firm's knowledge that a new firm must replace it at the end of a specified tenure will positively affect the audit firm in dealing appropriately with financial reporting issues.	11 44.0%	13 52.0%	1 4.0%	0 0%	0 0%	4.40	.577
7	Placing a limit on an audit firm's tenure will positively affect the perceptions of the auditor's independence	10 40.0%	7 28.0%	8 32.0%	0 0%	0 0%	4.08	.862
SECTION C: AUDIT QUALITY AND AUDIT FAILURE								
8	Lengthy audit firm tenures may lead to impaired auditor independence which in turn reduces audit quality.	6 24.0%	17 68.0%	2 8.0%	0 0%	0 0%	4.16	.554
9	The risk of an audit failure is likely to increase as the audit firm's tenure increase due to familiarity with the client's management and the desire to retain the client over many years.	10 40.0%	15 60.0%	0 0%	0 0%	0 0%	4.40	.500
10	The risk of an audit failure is likely to increase as the audit firm tenure becoming too familiar with auditor's approach and procedure.	8 32.0%	9 36.0%	8 32.0%	0 0%	0 0%	4.00	.816
11	Rotation of auditors would reduce any financial incentives for auditor to compromise their position on borderline accounting issues.	15 60.0%	10 40.0%	0 0%	0 0%	0 0%	3.60	.500
SECTION D: AUDIT RELATED COSTS AND FEES								
12	An audit firms initial year audit costs are likely to exceed the firms subsequent annual audit costs.	9 36.0%	12 48.0%	4 16.0%	0 0%	0 0%	4.20	.707
13	Under mandatory audit firm rotation firms are likely to increase audit fees during the new limited audit tenure period to be able to receives any additional initial year and costs incurred to fully understand the clients operations and reporting practices	2 8.0%	10 40.0%	13 52.0%	0 0%	0 0%	3.56	.651
14	Under mandatory audit firm rotation audit firms are more likely to incur additional marketing costs associated with the increased opportunities to compute for new audit clients	4 16.0%	10 40.0%	10 40.0%	1 4.0%	0 0%	3.68	.802
15	Under additional marketing costs that one likely to incur under mandatory audit firm rotation are likely to be posed to audit clients through higher audit fees.	9 36.0%	13 52.0%	3 12.0%	0 0%	0 0%	4.24	.663
16	If an auditor is replaced through a competition among increased firms under mandatory audit firm rotation the client company will incur selection costs associated with holding the competition.	11 44.0%	14 56.0%	0 0%	0 0%	0 0%	4.44	.507
17	On the whole the potential costs are likely to be significantly higher than the potential benefit of that may result from mandatory audit firm rotation.	11 44.0%	11 44.0%	3 12.0%	0 0%	0 0%	4.32	.690
SECTION E: AUDIT MARKET COMPETITION								
18	Mandatory audit firm rotation is likely to increase the opportunities of audit firms to provide firm to provide financial audit services to clients.	10 40.0%	12 48.0%	3 12.0%	0 0%	0 0%	4.28	.678
19	Mandatory audit firm rotation is likely to increase the number of audit firms using and able to compete for audits of companies	10 40.0%	10 40.0%	5 20.0%	0 0%	0 0%	4.20	.764
20	Mandatory audit firm rotation is likely to result in a fewer distribution of audit clients among a greater number of audit firms.	6 24.0%	14 56.0%	5 20.0%	0 0%	0 0%	4.04	.676
SECTION F: IMPLEMENTATION								
	If mandatory rotation of public accounting firms were required, the limit on the incumbent firm's tenure period should be							
21	Three to four years	6 24.0%	11 44.0%	6 24.0%	0 0%	0 0%	4.08	.759
22	Five to seven years	1 4.0%	6 24.0%	14 56.0%	4 16.0%	0 0%	2.16	.746
23	Eight to ten years	1 4.0%	5 20.0%	9 36.0%	10 40.0%	0 0%	1.88	.881
24	More than ten years	3 12.0%	8 32.0%	14 56.0%	0 0%	0 0%	1.56	.712
25	Mandatory audit firm rotation should be applied uniformly for audits of al companies regardless of the size or nature of the company.	8 32.0%	10 40.0%	7 28.0%	0 0%	0 0%	4.04	.790
26	Mandatory audit firm rotation should be applied only to the bigger companies	1 4.0%	6 24.0%	15 60.0%	3 12.0%	0 0%	2.20	.707
27	The introduction of mandatory audit firm rotation should be implemented over a period of year (staggered) on a reasonable basis to avoid a significant number of companies changing auditors simultaneously.	6 24.0%	11 44.0%	8 32.0%	0 0%	0 0%	3.92	.759
28	To ensure audit quality at the initial year. The audit firm should be require to perform specified traditional audit procedures that would ensure that material financial reporting issues are detected.	10 40.0%	13 52.0%	2 8.0%	0 0%	0 0%	4.32	.627

TABLE 6: USERS' DESCRIPTIVE STATISTICS

S/N	DESCRIPTION	SA	A	UD	D	SD	Mean	Std Dev.	Tstat
SECTION A: AUDITOR'S ABILITY TO DETECT MATERIAL REPORTING ISSUES									
1	Under mandatory audit firm rotation, new audit firms provide a fresh look at clients operations and financial reporting practice. This adversely affect the likelihood that a new auditor will detect material financial reporting issues.	1 4.0	13 52.0	9 36.0	1 4.0	1 4.0	3.48	.823	21.153
2	A new audit firm's initial level of knowledge of the clients specific operations and financial reporting practices is lower than that of the previous auditor who has spent some time with the firm	10 40.0	13 52.0	2 8.0	0 0	0 0	4.32	.627	34.441
3	The lack of specific knowledge of a new auditor of the clients operations and financial reporting practices increases the risk that the new auditor will not detect material misstatements in the financial statements during the first year of the auditors tenures.	3 12.0	13 52.0	7 28.0	2 8.0	0 0	3.68	.802	22.940
4	Inability to detect material reporting issue is higher in a new audit because the new audit firm is likely to place heavy reliance on information provided to client management.	11 44.0	12 48.0	2 8.0	0 0	0 0	3.44	.651	26.435
SECTION B: AUDITOR INDEPENDENCE									
5	Pressure on the firm and engagement partners to retain clients is a factor in whether or not they will deal appropriately with material financial issues when there is no mandatory auditor rotation compared with when there is mandatory audit firm rotation	11 44.0	13 52.0	1 4.0	0 0	0 0	4.36	.638	34.185
6	Under mandatory audit firm rotation, the incumbent audit firm's knowledge that a new firm must replace it at the end of a specified tenure will positively affect the audit firm in dealing appropriately with financial reporting issues.	5 20.0	14 56.0	6 24.0	0 0	0 0	4.40	.577	38.105
7	Placing a limit on an audit firm's tenure will positively affect the perceptions of the auditor's independence	5 20.0	14 56.0	6 24.0	0 0	0 0	3.96	.676	29.300
SECTION C: AUDIT QUALITY AND AUDIT FAILURE									
8	Lengthy audit firm tenures may lead to impaired auditor independence which in turn reduces audit quality.	7 28.0	13 52.0	5 20.0	0 0	0 0	4.08	.702	29.044
9	The risk of an audit failure is likely to increase as the audit firm's tenure increase due to familiarity with the client's management and the desire to retain the client over many years.	15 60.0	9 36.0	1 4.0	0 0	0 0	4.56	.583	39.102
10	The risk of an audit failure is likely to increase as the audit firm tenure becoming too familiar with auditor's approach and procedure.	6 24.0	14 56.0	5 20.0	0 0	0 0	4.04	.676	29.892
11	Rotation of auditors would reduce any financial incentives for auditor to compromise their position on borderline accounting issues.	4 16.0	13 52.0	8 32.0	0 0	0 0	3.84	.688	27.907
SECTION D: AUDIT RELATED COSTS AND FEES									
12	An audit firms initial year audit costs are likely to exceed the firms subsequent annual audit costs.	12 48.0	11 44.0	2 8.0	0 0	0 0	4.40	.645	34.082
13	Under mandatory audit firm rotation firms are likely to increase audit fees during the new limited audit tenure period to be able to receives any additional initial year and costs incurred to fully understand the clients operations and reporting practices	4 16.0	11 44.0	10 40.0	0 0	0 0	3.76	.723	25.988
14	Under mandatory audit firm rotation audit firms are more likely to incur additional marketing costs associated with the increased opportunities to compute for new audit clients	4 16.0	11 44.0	9 36.0	1 4.0	0 0	3.72	.792	23.496
15	Under additional marketing costs that one likely to incur under mandatory audit firm rotation are likely to be posed to audit clients through higher audit fees.	12 48.0	11 44.0	2 8.0	0 0	0 0	4.40	.645	34.082
16	If an auditor is replaced through a competition among increased firms under mandatory audit firm rotation the client company will incur selection costs associated with holding the competition.	9 36.0	15 60.0	1 4.0	0 0	0 0	4.32	.557	38.795
17	On the whole the potential costs are likely to be significantly higher than the potential benefit of that may result from mandatory audit firm rotation.	11 44.0	14 56.0	0 0	0 0	0 0	4.44	.507	43.820
SECTION E: AUDIT MARKET COMPETITION									
18	Mandatory audit firm rotation is likely to increase the opportunities of audit firms to provide firm to provide financial audit services to clients.	5 20.0	15 60.0	5 20.0	0 0	0 0	4.00	.645	30.984
19	Mandatory audit firm rotation is likely to increase the number of audit firms using and able to compete for audits of companies	10 40.0	13 52.0	2 8.0	0 0	0 0	4.32	.627	34.441
20	Mandatory audit firm rotation is likely to result in a fewer distribution of audit clients among a greater number of audit firms.	8 32.0	15 60.0	2 8.0	0 0	0 0	4.24	.597	35.498
SECTION F: IMPLEMENTATION									
If mandatory rotation of public accounting firms were required, the limit on the incumbent firm's tenure period should be									
21	Three to four years	3 12.0	19 76.0	3 12.0	0 0	0 0	4.00	.500	40.000
22	Five to seven years	1 4.0	2 8.0	5 20.0	11 44.0	6 24.0	2.24	1.052	10.647
23	Eight to ten years	1 4.0	5 20.0	14 52.0	5 20.0	0 0	2.08	.759	13.695
24	More than ten years	1 4.0	3 12.0	11 44.0	10 40.0	0 0	1.80	.816	11.023
25	Mandatory audit firm rotation should be applied uniformly for audits of al companies regardless of the size or nature of the company.	7 28.0	17 68.0	1 4.0	0 0	0 0	4.24	.523	40.550
26	Mandatory audit firm rotation should be applied only to the bigger companies	0 0	1 4.0	6 24.0	17 68.0	1 4.0	2.28	.614	18.575
27	The introduction of mandatory audit firm rotation should be implemented over a period of year (staggered) on a reasonable basis to avoid a significant number of companies changing auditors simultaneously.	4 16.0	12 48.0	9 36.0	0 0	0 0	3.80	.707	26.870
28	To ensure audit quality at the initial year. The audit firm should be require to perform specified traditional audit procedures that would ensure that material financial reporting issues are detected.	7 28.0	18 72.0	0 0	0 0	0 0	4.28	.458	46.699

TABLE 7: AUDITORS' DESCRIPTIVE STATISTICS

S/N	DESCRIPTION	SA	A	UD	D	SD	Mean	Std Dev.	Tstat
SECTION A: AUDITOR'S ABILITY TO DETECT MATERIAL REPORTING ISSUES									
1	Under mandatory audit firm rotation, new audit firms provide a fresh look at clients operations and financial reporting practice. This adversely affect the likelihood that a new auditor will detect material financial reporting issues.	7 28.0%	8 32.0%	8 32.0%	1 4.0%	1 4.0%	3.76	1.052	17.871
2	A new audit firm's initial level of knowledge of the clients specific operations and financial reporting practices is lower than that of the previous auditor who has spent some time with the firm	7 28.0%	14 56.0%	2 8.0%	1 4%	1 4.0%	4.00	.957	20.889
3	The lack of specific knowledge of a new auditor of the clients operations and financial reporting practices increases the risk that the new auditor will not detect material misstatements in the financial statements during the first year of the auditors tenures.	9 36.0%	14 56.0%	2 8.0%	0 0%	0 0%	4.28	.614	34.869
4	Inability to detect material reporting issue is higher in a new audit because the new audit firm is likely to place heavy reliance on information provided to client management.	12 48.0%	13 52.0%	0 0%	0 0%	0 0%	3.48	.510	34.124
SECTION B: AUDITOR INDEPENDENCE									
5	Pressure on the firm and engagement partners to retain clients is a factor in whether or not they will deal appropriately with material financial issues when there is no mandatory auditor rotation compared with when there is mandatory audit firm rotation	2 8.0%	14 56.0%	9 36.0%	0 0%	0 0%	3.72	.614	30.306
6	Under mandatory audit firm rotation, the incumbent audit firm's knowledge that a new firm must replace it at the end of a specified tenure will positively affect the audit firm in dealing appropriately with financial reporting issues.	7 28.0%	18 72.0%	0 0%	0 0%	0 0%	4.28	.458	46.699
7	Placing a limit on an audit firm's tenure will positively affect the perceptions of the auditor's independence	10 40.0%	15 60.0%	0 0%	0 0%	0 0%	3.40	.500	34.000
SECTION C: AUDIT QUALITY AND AUDIT FAILURE									
8	Lengthy audit firm tenures may lead to impaired auditor independence which in turn reduces audit quality.	6 24.0%	15 60.0%	4 16.0%	0 0%	0 0%	4.08	.640	31.859
9	The risk of an audit failure is likely to increase as the audit firm's tenure increase due to familiarity with the client's management and the desire to retain the client over many years.	3 12.0%	15 60.0%	7 28.0%	0 0%	0 0%	3.84	.624	30.745
10	The risk of an audit failure is likely to increase as the audit firm tenure becoming too familiar with auditor's approach and procedure.	18 72.0%	7 28.0%	0 0%	0 0%	0 0%	3.72	.458	40.589
11	Rotation of auditors would reduce any financial incentives for auditor to compromise their position on borderline accounting issues.	11 44.0%	14 56.0%	0 0%	0 0%	0 0%	3.44	.507	33.950
SECTION D: AUDIT RELATED COSTS AND FEES									
12	An audit firms initial year audit costs are likely to exceed the firms subsequent annual audit costs.	13 52.0%	10 40.0%	2 8.0%	0 0%	0 0%	4.44	.651	34.120
13	Under mandatory audit firm rotation firms are likely to increase audit fees during the new limited audit tenure period to be able to receives any additional initial year and costs incurred to fully understand the clients operations and reporting practices	9 36.0%	14 56.0%	2 8.0%	0 0%	0 0%	4.28	.614	34.869
14	Under mandatory audit firm rotation audit firms are more likely to incur additional marketing costs associated with the increased opportunities to compute for new audit clients	6 24.0%	19 76.0%	0 0%	0 0%	0 0%	4.24	.436	48.636
15	Under additional marketing costs that one likely to incur under mandatory audit firm rotation are likely to be posed to audit clients through higher audit fees.	13 52.0%	12 48.0%	0 0%	0 0%	0 0%	4.52	.510	44.322
16	If an auditor is replaced through a competition among increased firms under mandatory audit firm rotation the client company will incur selection costs associated with holding the competition.	2 8.0%	10 40.0%	13 52.0%	0 0%	0 0%	3.56	.651	27.358
17	On the whole the potential costs are likely to be significantly higher than the potential benefit of that may result from mandatory audit firm rotation.	12 48.0%	13 52.0%	0 0%	0 0%	0 0%	4.48	.510	43.930
SECTION E: AUDIT MARKET COMPETITION									
18	Mandatory audit firm rotation is likely to increase the opportunities of audit firms to provide firm to provide financial audit services to clients.	10 40.0%	11 44.0%	4 16.0%	0 0%	0 0%	4.24	.723	29.305
19	Mandatory audit firm rotation is likely to increase the number of audit firms using and able to compete for audits of companies	4 16.0%	16 64.0%	5 20.0%	0 0%	0 0%	3.96	.611	32.405
20	Mandatory audit firm rotation is likely to result in a fewer distribution of audit clients among a greater number of audit firms.	11 44.0%	13 52.0%	1 4.0%	0 0%	0 0%	4.40	.577	38.105
SECTION F: IMPLEMENTATION									
If mandatory rotation of public accounting firms were required, the limit on the incumbent firm's tenure period should be									
21	Three to four years	13 52.0%	12 48.0%	0 0%	0 0%	0 0%	3.52	.510	34.516
22	Five to seven years	10 40.0%	15 60.0%	0 0%	0 0%	0 0%	4.40	.500	44.000
23	Eight to ten years	2 8.0%	10 40.0%	13 52.0%	0 0%	0 0%	3.56	.651	27.358
24	More than ten years	2 8.0%	14 56.0%	9 36.0%	0 0%	0 0%	1.72	.614	14.013
25	Mandatory audit firm rotation should be applied uniformly for audits of al companies regardless of the size or nature of the company.	14 52.0%	10 40.0%	1 4.0%	0 0%	0 0%	4.52	.586	38.570
26	Mandatory audit firm rotation should be applied only to the bigger companies	2 8.0%	15 60.0%	6 24.0%	2 8.0%	0 0%	2.69	.736	18.655
27	The introduction of mandatory audit firm rotation should be implemented over a period of year (staggered) on a reasonable basis to avoid a significant number of companies changing auditors simultaneously.	13 52.0%	12 48.0%	0 0%	0 0%	0 0%	4.52	.510	44.322
28	To ensure audit quality at the initial year. The audit firm should be require to perform specified traditional audit procedures that would ensure that material financial reporting issues are detected.	11 44.0%	12 48.0%	2 8.0%	0 0%	0 0%	3.36	.638	26.345

TABLE 8: HYPOTHESIS TESTING

	Sum of Squares	Df	Mean Square	F	Sig.
H1 Between Groups	1.635	2	.817	3.597	.032
Within Groups	16.365	72	.227		
Total	18.000	74			
H2 Between Groups	4.661	2	2.330	20.297	.000
Within Groups	8.267	72	.115		
Total	12.927	74			
H3 Between Groups	1.799	2	.899	7.343	.001
Within Groups	8.818	72	.122		
Total	10.616	74			
H4 Between Groups	.467	2	.234	3.540	.034
Within Groups	4.753	72	.066		
Total	5.221	74			
H5 Between Groups	1.635	2	.817	5.271	.010
Within Groups	11.173	72	.155		
Total	11.176	74			

UNDERSTANDING THE DYNAMICS OF WORK - FAMILY INTERFACE THROUGH THE BOUNDARY THEORY: A REVIEW OF EMPIRICAL RESEARCH

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ABSTRACT

Balancing of work life and family life has emerged as a major challenge before the modern workforce and it is against this backdrop, research studies on Work-Life Balance (WLB) are gaining importance. This research paper makes an attempt to focus on understanding how modern employees manage their boundaries in order to strike a balance between the demands of work and home life. An attempt was made to evaluate the various research studies that were conducted across the globe by linking them to the relevance of the boundary theory. Boundary theory focuses on the ways in which people create, maintain, or change boundaries in order to simplify and classify the world around them. Although several theories are about on explaining the balance between work and home, research studies on boundary theories are gaining importance against the backdrop of Globalization.

KEYWORDS

Boundary Theory, Work-Family Conflict, Work-Family Fit, Work-Family Interface and Work-Life Balance.

INTRODUCTION

The forces of Globalization and technology have brought profound changes into the ways people work in the modern organizational scenarios. In this context, several research studies have indicated that modern employees are currently working in office environments which are typically characterized by boundary less organizations and virtual workspaces. The issue of work-life balance has pervaded the business community for decades (Parsons, 2002; Spinks, 2004), and organization have responded with work-life policies to address the issues raised by their employees (Roberts, 2005). It has been agreed by several HR experts that work life and family life are inter-linked and interdependent (Carruthers, 2005). Balancing of work life and family life has become a major issue for today's workforce and it is against this backdrop, research studies on work-life balance are gaining importance. Intersection of work and family life is considered as work-life interface (MacDermid, 2005).

Several researchers made an attempt to address the issue of Work Life Balance (WLB) by linking it to the issue of work-home conflict component. Although research on the spillover and compensation models continues to be widely reported to understand the perspectives on WLB (Guest, 2001), the conflict model is most often used (Zedeck & Mosier, 1990; Greenhaus & Powell, 2006). Work and family conflict is considered as bi-directional, that is, work can interfere with family-life contributing to Work-family Conflict (WFC), and similarly family can interfere with work-life contributing to Family-Work Conflict (FWC) (Frone, 2003; Grzywacz & Bass, 2003). There mainly two aspects which are linked with work and life balance; first it is lack of time and scheduling conflicts, and the other is feeling overloaded or stressed by the pressures of multiple roles (Crooker, Smith & Tabak, 2002; Greenhaus & Powell, 2006). According to Guest (2001) the conflict model proposes that with high levels of demand in all spheres of life and work, individuals has to make some difficult choices which may lead to work-life conflict. Individual working in any organization/industry feel additional stress when they decide what they feel is best for their families or what is best for their career (Poelmans, 2001; Jones et al., 2006; and Kossek & Distelberg, 2009). Some the negative consequences of WFC or FWC include psychological strain (Frone, 2003; Grzywacz and Bass, 2003), decreased job satisfaction, a diminishing impact on work performance (Frye and Brebaugh, 2004; Aryee et al, 2005; Bass et al, 2008), and reduced marital satisfaction (Jones et al, 2006).

It is interesting to note that there is an abundance of literature review on WFC issues across the globe by using diverse samples from over a dozen countries (MacDermid, 2005). In line with the global research studies on the dynamics of work and home adjustment problems, WFC issue has been linked to other HR outcomes like stress, turnover, absenteeism, burnout, and dissatisfaction with job, family, and life (Edwards & Rothbard, 2000; Kreiner, 2006; Parasuraman & Greenhaus, 2002; Rice, Frone, & McFarlin, 1992). In this context, research study conducted by Kreiner (2006), has addressed the limitation of using the term "work-home conflict" (as opposed to "work-family conflict") and made an effort to redefine the terminology to incorporate the wide array of organizational dynamics. Work-home conflict occurs when the obligations and responsibilities of work and family roles become mismatched. Obligation of one can force an individual to neglect the other. Kreiner (2006) argued that studying this conflict is important, yet researching the outcome of work-home conflict alone helps us to understand achieving balance at organizational level, with an emphasis on studying human resource policies (such as family-friendly benefits, flexibility in work system, etc.). Recent research (Aryee S, Srinivas & Tan, 2005; Kreiner, 2006; Poelmans, Kalliath & Brough, 2008) has therefore begun to refocus attention on individual-level processes, as individuals play a fundamental role in affecting work-family outcomes. Hence this empirical study is taken to explore and understand the dynamics of work-family interface through the boundary theory.

WORK-FAMILY INTERFACE

Regardless of a growing multidisciplinary literature unfortunately the work-family interface is not well understood (Allen, Herst, Bruck, & Sutton, 2000; Jones et al, 2006). An increasing number of contemporary women and men are finding themselves involved in work and family arrangements which has directed to development of WLB (Guest, 2001). According to Kalliath & Brough (2008), one of the important dimensions to achieve WLB is to understand the interface between the work and family. Researchers (Aryee et al, 1999; Brady, 2002; Carlson, Kacmar, & Williams, 2000) framed the work-family interface as a socially

constructed boundary between the life domains of work and family. Some work-family interfaces are studied through researching on conflict, strain, role pressure, incompatibility, overload, and spillover. Within the work-family interface, researchers study work-family relationship using a variety of terms and concepts, such as work-family conflict, work-family spillover, and work-home balance (Lakoff & Johnson, 2003).

Work-life balance and Work-family fit are two additional dimensions of the work-family interface (Kreiner, 2006). Several studies on work/life conflict and the work-family interfaces used bi-directional method to measure the problems, but such method were very not effective to understand the work-family interface and determines solutions for work-family conflict. So, Matthews, Kath, and Barnes-Farrell (2010) constructed a multidimensional aspect of work-family interface (i.e., time, behavior, and strain based conflict). Consequently despite an almost exclusive focus on conflict, separate but related bodies of research suggest that the work-family interface can be characterized as both negative and positive (Hughes & Parkes, 2007). Some HR experts have observed that the widely accepted way to understand work/family interactions is to examine the transitions between the two domains of work and home through the boundary theory (Kossek & Lambert, 2005, Poelmans, 2005). Among various dimensions of work-life interface two recently identified dimensions like work life balance and work-family fit are taken into consideration for this study to understand the work family interface.

WORK-LIFE BALANCE (WLB)

Some of the traditional thinkers on WLB have observed that, creating and handling a balance between the work and family life was considered to be a woman's issue, but growing work pressures, globalization and technological advancement have made it not limited to woman's issues only (Roberts, 2005). Throughout the World, people are working at different levels in different organizations/industries and they face some work-life conflict (Ayman, & Antani, 2008) and achieving WLB is not as simple as it sounds (Parasuraman & Greenhaus, 2002; MacDermid, 2005; Kossek & Lambert, 2005).

HR studies have addressed the challenges that are currently being faced by modern employees with regard to the issue of balancing between work and home life. According to Kalliath and Brough (2008), WLB can be defined as "the individual perception that work and non-work activities are compatible and promote growth in accordance with an individual's current life priorities" (p. 326). Greenhaus and Allen (2011) recommended a new definition of WLB as they equate work-life balance with the harmonious arrangement of work and family so that "effectiveness and satisfaction in these roles are consistent with life values" (p. 175). While it is obvious that in some situation, stress from one life setting (e.g., work or family) may spillover and weaken functioning in another. Although several research studies were conducted on understating the dynamics of work life balance, fewer studies have addressed the work life balance problem from the perspective of boundary theory (Ashforth, Kreiner, & Fugate, 2000).

WORK FAMILY FIT

Voydanoff (2005) views work-family fit in terms of demands and resources, arguing that the extent to which people feel there is a "fit" between their work and family domains depends on whether there is a fit between work demands and family resources and between family demands and work resources. (Boles, Howard, & Donofrio, 2001) noted that people tend to have consistent styles of dealing with home/work transitions, and these styles are affected by factors such as gender, type of work, and career stage. Further it was also noted that modern organizations are becoming more proactive in helping employees manage their home and work boundaries more effectively (Cooper & Murphy, L. 2000). In other words, examining the work/home relationship in terms of boundaries and transitions is instrumental in generating ideas that often run counter to traditional prescriptions of striking a balance between work and home (Ashforth, Kreiner, & Fugate, 2000). Many employees are experiencing increased stress due to long working hours and overwork load; such situation is seen in nearly all occupations (Dex & Bond, 2005; Poelmans, 2008). On the other hand employer experience a rise in workplace violence, increased levels of absenteeism and deteriorating work performance (Voydanoff, 2007). All of these show the evidence of an unhealthy work life balance. As a result, the question arises as to whether career bound people are able to maintain a satisfactory work home balance.

Research studies conducted by Desrochers & Sargent (2003); Ford, Heinen, & Langkamer (2007) indicate that work family fit helps to understand looking at the daily transitions that people make as they cross the boundaries between work and home. The idea is that the best way to understand how the two domains affect each other is to look at them in their interface from angle of work-family fit (Clark, 2000), as these transitions between work and home capture the major issues in the general relationship between the two domains. Transitions across either with physical more from one domain to the other (the start to the end of the working day), or with the psychological shift that occurs when a person is physically in one domain and comes mentally concerned with the other. The former is called planned transitions and the other is termed as interposed transitions (Voydanoff, 2005).

BOUNDARY THEORY

Work-family border theory (Clark, 2000) and boundary theory (Ashforth, Kreiner, & Fugate, 2000) address the integration and blurring of boundaries in work and family life. These theories contribute to the study of work-family relationships by relating the conditions under which varying degrees of work-family integration are likely to improve or diminish individual well-being. Both address how people create, negotiate, manage and cross boundaries or borders, the "lines of demarcation" (Clark, 2000) between work and family. This article examines the Clark's Work-family border theory more closely.

The Work-family border theory (Clark, 2000) argues that people are daily border-crossers as they move between home and work. Work-family border theory not only restricts to work and family domains, the focus and outcome of this theory is work and home balance. Work and home balance refers to 'satisfaction and good functioning at work and at home, with a minimum of role conflict' (Clark, 2000, p. 751). The definition of borders includes not only those psychological categories but also tangible boundaries that divide the times, place and people associated with work versus family (Desrochers & Sargent, 2003).

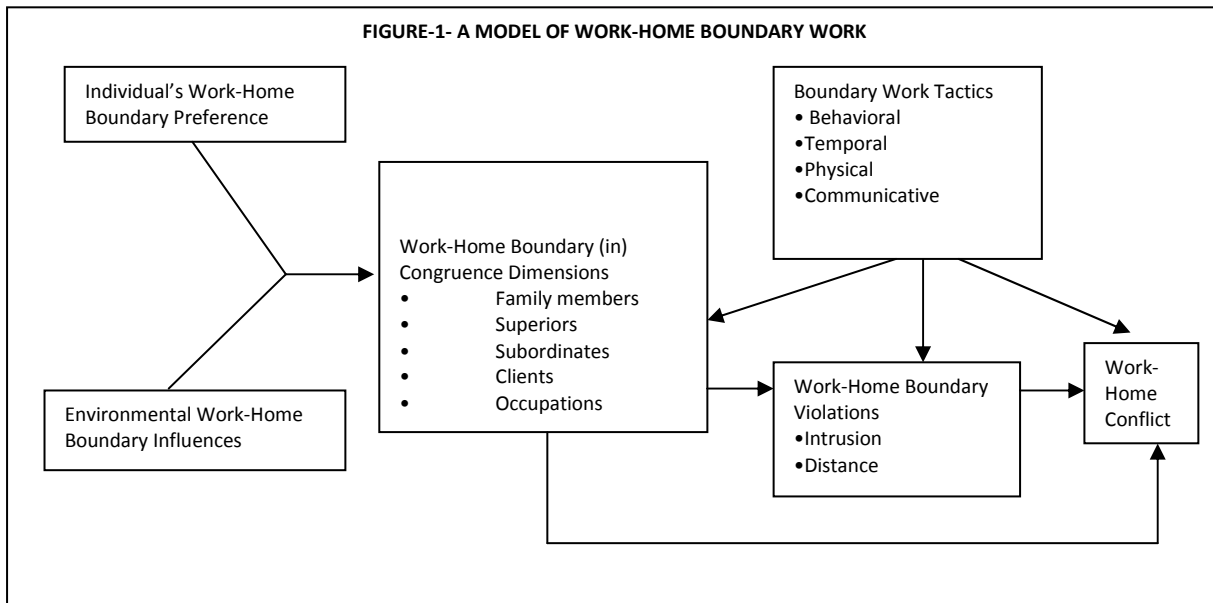
According to Clark (2000), work-family border theory "explains how individuals manage and negotiate the work and family spheres and the borders between them in order to attain balance. Central to this theory is the idea that 'work' and 'family' constitute different domains or spheres which influence each other. Given their contrasting purposes and cultures, work and home can be likened to two different countries where there are differences in language or word use, differences in what constitutes acceptable behavior, and differences in how to accomplish tasks" (p. 750-751) (Desrochers et al, 2005, citing Clark). The theory addresses how domain integration and segmentation, border creation and management, border-crosser participation, and relationships between border-crossers and others at work and home influence work/family balance.

The theory discusses a set of propositions (Clark, 2000; Kreiner, 2006) that is firstly keeping work and family separate makes it easier to manage work-family borders; secondly integrating work and family facilitates transitions between these domains and thirdly either strategy can improve the well-being of employees, depending on the characteristics of employees (e.g., time management skills, being a "self starter", or social influence at home and work). The theory discusses to what extent, an employee or individual prefer between integration and segmentation, which can be implied that an employees or individual manage their work-family interface via work-life policies, this implication is drawn based on the contextual factors discussed in the theory (Kreiner, Hollensbe & Sheep, 2006). For e.g., "family friendly" workplace norms and policies, long or irregular work hours, or social support from supervisors, coworkers and family help employees or individuals to create boundaries, that are clearer and more easily maintained when roles are separated (Ashforth, Kreiner, & Fugate, 2000; Kreiner, 2006). The analysis of borders can support to focus on how far individuals are in control of issues determining balance in work and life.

RELEVANCE OF THE BOUNDARY THEORY

Boundary theory focuses on the ways in which people create, maintain, or change boundaries in order to simplify and classify the world around them (Ashforth, Kreiner, & Fugate, 2000). Of late, boundary theory has been successfully applied in diverse organizational contexts in a multidisciplinary manner by linking it to art, architecture, psychology, political science, organization theory, and anthropology theories. Boundary theory emerged as a major response to answer a wide variety of research questions, which include those areas dealing with role transitions (Ashforth et al., 2000); the healthiness of interpersonal relationships (Kossek, & Distelberg, 2009) and the interface between individual and organizational identity (Kreiner, Hollensbe, & Sheep, 2006). Boundary theory has grown tremendously over the years and did not limit itself to the boundaries of a given domain (e.g., a role, a country, a home, a workplace).

Kreiner, Hollensbe, & Sheep (2009) developed a grounded model of work-home boundary work and specified their findings, to show various dimensions of work-boundary incongruence and it was found that individual preferences for work-home segmentation or integration combine with environmental influences (such as work and home climates and other individual preference). The model then discusses how work-home incongruence leads to boundary violations and work-home conflict. The boundary violations also lead to work-home conflict and individuals invoke boundary work procedures to reduce and manage incongruence, violations and conflict (Greenhaus & Allen, 2011). Kreiner, Hollensbe, & Sheep (2009) model (as presented in Figure-1) on work-home boundary work was developed to understand the dynamics of WLB through boundary issues. The model discusses how work-home incongruence leads to boundary violations and work-home conflict. The boundary violations also lead to work-home conflict and individuals invoke boundary work procedures to reduce and manage incongruence, violations and conflict. Literatures relating to work-family life (Ashforth, Kreiner, & Fugate, 2000; Kossek, & Distelberg, 2009; Clark, 2000; Kreiner, 2006) have recognized the importance of employees' degree of control over how they perform their work and how they manage their multiple roles and responsibilities.



Researchers have long acknowledged that work and family are not "separate spheres", but are interdependent domains or roles with "permeable" boundaries (Kossek, Lewis, & Hammer, 2010; Williams & Alliger, 1994). Some have gone beyond recognizing this linkage to advocate initiatives that allow working families to integrate these domains (e.g., Hansen, 2002; Lero, & Lewis, 2008). According to Milkie et al (2010) the concepts of domain boundaries and role blurring have only recently been introduced into the work-family interface learning. The boundaries between work and family are viewed on a continuum ranging from segmentation to integration (Kreiner, Hollensbe, & Sheep, 2006). High segmentation means that the boundary between employees' work and family roles is impermeable; that is, work and family exist as two distinct spheres (Ashforth, Kreiner, & Fugate, 2000). Integration is believed to occur through two mechanisms: flexibility and permeability. Flexibility refers to the malleability of the boundary between two or more role/domains (Ashforth, Kreiner, & Fugate, 2000). An individual should have the ability to expand or contract or should be able to accommodate the demands of one domain or another (Clark, 2000; Hill, Darling, & Raimondi, 2003). Clark (2000) explains that if individuals are able understand their role/domains, the transitions difficulty is less, but they can also confound the demands of these roles, increasing the chance of imbalance in work and life. Work-family boundary ambiguity, is understood as the experience of confusion or difficulty in distinguishing one's work from one's family roles in a given setting in which these roles are seen as highly integrated, such as doing paid work at home (Desrochers, 2002). Permeability involves the extent to which a boundary allows psychological or behavioral aspects of one role or domain to enter another (Ashforth et al., 2000; Clark, 2000; Hill, Darling, & Raimondi, 2003).

CONCLUSION

In conclusion, it may be inferred that work and family are not "separate spheres", but are interdependent roles within a prescribed boundary. Although there is an abundance of literature survey on how to evolve WLB, the relevance of boundary theory in explaining the work-home related conflicts is gaining importance in the modern organizational context. It has addressed the various issues that are related to work home influence and work family balance from a different perspective by focusing on contemporary issues. It has the potential to help modern organizations which are becoming more proactive in helping employees manage their home and work boundaries more effectively. The analysis of borders has the potential to guide modern employees in assessing how far the individuals are in control of the issues that have a bearing on the WLB issues.

FUTURE RESEARCH

This research study has examined the basic issues that are related to the work-life interface and addressed the conflict between the work-family lives. However, this research study needs to be aligned with the cultural aspects of the work-life scenarios by linking it to the various levels of work-roles versus non-work roles and time preferences. There is greater scope for conducting an empirical study across middle-east countries in general and Oman in particular. Such empirical studies would enable the employee and organizations to draw a clear boundary between the work roles and non-work roles. The scope of the research may be enhanced by addressing the industry specific issues which may further help in developing an ideal framework for balancing work-life and family-life.

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BUSINESS STRATEGIES OF BANKS: IT'S IMPACT ON CONSUMERS

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ABSTRACT

In today's market scenario and the society, customers are becoming more competitive rather than the market. Bank should concentrate on meeting strategies which focus on fast track task fulfillment. Two major banks namely Mashreq Bank (MB) and Standard Chartered Bank (SCB) have been used to check the impact of business strategies on the bank customers. Several core attributes of the banks have been used to identify their business strategies and its impact on the retail banking customers. It is apparent from the research that the business strategies have more or less medium impact on its customers. This research also identified the best business strategies adopted by the Banks.

KEYWORDS

Business Strategy, Bank, Attributes, Corporate Social Responsibility, e-technology.

INTRODUCTION

Banks are the most significant players in UAE's financial market. They are the biggest purveyors of credit, and they also attract most of the savings from the population. Dominated by public sector, the banking industry has so far acted as an efficient partner in the growth and development of the country. Driven by the socialist ideologies and the welfare state concept, public sector banks have long been the supporters of agriculture and other priority sectors. They act as crucial channels of the government in its efforts to ensure equitable economic development.

The banking industry can be broadly categorized into nationalized (government owned), private banks and specialized banking institutions. The Central Bank acts as a centralized body monitoring any discrepancies and shortcoming in the system. Since the nationalization of banks in 1969, the public sector banks or the nationalized banks have acquired a place of prominence and have since then progressed tremendously in the UAE (United Arab Emirates). The need to become highly customer focused has forced the slow-moving banks to adopt a fast track approach. The unleashing of products and services through the use of e-technology has galvanized players at all levels of the banking industry and financial institutions, to look at a new portfolio offering. For the purpose of this research, 2 banks have been taken into consideration namely Mashreq Bank (MB) and Standard Chartered Bank (SCB) in the UAE.

INTRODUCTION TO MASHREQ BANK

The Mashreq bank was formed in 1967. It ranks eighteen by market capitalization among the 500 largest listed companies in the Middle East and North Africa. Mashreq Bank is a customer-driven company and focus on high quality service.

The Mashreq Bank ranked top in return on shareholder's equity in 1999, thereby reporting an increase in net profits of 38.5% AED 485.6 million. The growth was fuelled by a 20% rise in fee-based income to AED 417.3 million. (The Annual Report – Year 2000, Mashreq Bank, Dubai.) Mashreq Bank ranked 1st positions in terms of profitability among all other banks. Bank's performance remained consistent in the market place in terms of growth of deposits and has increasingly captured more and more market share year after year. Merlin Philip, a banker mentioned, "Other banks in the UAE are waking up to the fact that in a competitive market, the customer rules. But none has gone further than Mashreq Bank to respond to the challenge".

In its more than 30 years history, Mashreq Bank played a considerable role in providing innovative products and services to both retail and commercial customers. This is evidenced by the bank's impressive record of "firsts" including:

- The first to connect all its UAE branches to an on-line central computer database
- The first to install ATM cash dispenser
- The first to issue debit/credit cards
- The first to introduce pre-signed instant drafts for expatriate remittances
- The first to issue its own travelers' cheques
- The first to offer free and liberal insurance cover to its customers
- The first to introduce consumer loans
- The first to offer Visa connectivity to withdraw money across the world
- The first to introduce Point of sale (POS) terminal
- The first to offer Direct Banking Centre
- The first to provide a trilingual IVR telephone system
- The first to introduce Savings Certificates
- The first to introduce a reward oriented savings scheme – Mashreq Millionaire

(Source: The First Bank, Internal Document of Mashreq Bank, 2000.)

The Mashreq Bank being first in releasing the above products or services, will enable it to have a competitive edge in the market over other banks. Mashreq Bank (PSC) is one of the leading banks in the United Arab Emirates (UAE), with total assets of AED 23,700 million (US\$ 6,452.5 million - as at 31st December 2002) (Gulf News Jan, 2003). It has been named by the prestigious Euro money Magazine as the Best Bank in the UAE. It is the second oldest commercial bank in the UAE having originally been established as Bank of Oman Ltd. in 1967 in Dubai. Mashreq Bank's diverse range of products and services include Corporate Credit, Trade Finance, Project Finance, Treasury, Correspondent Banking, Online Banking, Consumer Lending, Electronic Funds Transfer, Credit Cards, Automated Teller Machines, Call Center, and GSM banking, all founded on the most contemporary technology and service excellence. Mashreq Bank believes in partnering its customers' growth and offering them the very best propositions - innovative whilst remaining simple and transparent from the customer's perspective. Mashreq Bank Merchant Overdraft helps to enhance relationship with the existing merchant customers, and going forward, build strong relationships with new customers.'

INTRODUCTION TO STANDARD CHARTERED BANK

The Standard Chartered Bank was formed in 1969 through a merger of two banks: The Standard Bank of British South Africa founded in 1863, and the Chartered Bank of India, Australia and China, founded in 1853. Both companies were keen to capitalize on the huge expansion of trade and to earn the handsome profits to be made from financing the movement of goods between Europe, Asia and Africa.

The Chartered Bank was founded by James Wilson following the grant of a Royal Charter by Queen Victoria in 1853. The Chartered Bank opened its first branch in Mumbai (Bombay), Calcutta and Shanghai in 1858, followed by Hong Kong and Singapore in 1859. In 1957 Chartered Bank bought the Eastern Bank together with the Ionian Bank's Cyprus Branch. This established a presence in the Gulf.

The Standard Bank was founded in the Cape Province of South Africa in 1862 by John Paterson and it commenced business in Port Elizabeth, South Africa, in January 1863. It was prominent in financing the development of the diamond fields of Kimberley from 1867 and later extended its network further North to the new town of Johannesburg when gold was discovered there in 1885. By 1953, it expanded in Southern, Central and Eastern Africa and by 1953 had 600 offices. In 1965, it merged with the Bank of West Africa expanding its operations into Cameroon, Gambia, Ghana, Nigeria and Sierra Leone.

During 1990s, Standard Chartered has focused on developing its strong franchises in Asia, the Middle East and Africa. It has concentrated on consumer, corporate and institutional banking and on the provision of treasury services – areas in which the Group had particular strength and expertise. Since 2000, the Bank has achieved several milestones with a number of strategic alliances and acquisitions, which have extended the customer and geographic reach and broadened the product range that Standard Chartered offers.

The SCB has a rich history of over 150 years in Asia, Africa and the Middle East. SCB's Wholesale Banking team is noted in the industry for its unmatched on-the-ground expertise, its *relationship-focused approach* to business and a solid track record of innovative, award-winning and *client centric solutions*.

JUSTIFICATION OF RESEARCH

Most of the Banks in the world are concentrating on providing variety of products and services to the consumers. Consumers are forced to purchase the product or services based on the bank's competitive business strategy for developing their banking network and customer base. For the purpose of this research, 2 banks in the United Arab Emirates have been chosen namely Mashreq Bank and the Standard Chartered Bank. With the aid of the above 2 banks, the business strategies have been analysed with specific reference to the retail banking customers in the UAE.

SCOPE AND SIGNIFICANT OF RESEARCH

This research will be significant to the banking industries; especially it will add value to the MB & SCB in providing total customer satisfaction and chalking out competitive business strategies. This research will provide a basis of comparing the MB and SCB strategies. This research will be of use to the Government, bank associations and research journals. The business strategy has been analysed through hypothesis testing and this could be an important input in managing banks' competitiveness.

OBJECTIVE AND HYPOTHESIS

The main objective of this research is to evaluate the current business strategies of the Mashreq & Standard Chartered Banks in the UAE by testing the following hypothesis:

"The business strategies adopted by the Mashreq Bank and Standard Chartered Bank in the UAE has a positive impact on the consumers." (Re: Q. No. 1.4 & 1.5)

CHOICE OF RESEARCH METHODOLOGY

The study through this research involves analysis of the business strategies of the banks. Therefore, deductive methodology has been an ideal methodology as the theory obtained consequently through this work has been tested empirically during this research. Through deductive methodology, a survey method has been chosen for receiving the response from the customers.

Questionnaires and interview methods have been used as the research instruments. Statistical analysis has been done by using statistical tools, tabulations, illustrations and percentages for analyzing the variables under study. The hypothesis has been tested by using the above statistical analysis beside, using statistical testing tools. Therefore, both deductive approach (testing the hypothesis) and inductive approach (concentrating on interpreting the observations and arriving at a conclusion) have been used in executing this research.

In this research, secondary data collection also plays an important role. The business strategy information of the Mashreq Bank and Standard Chartered Bank has been collected from the company publications, business magazine, newspapers, journals, reviews etc.

CHOICE OF SAMPLES

A sample is a segment of population that is selected for investigation. The sample selection may be based on probability or non probability approaches. (Pervez Ghauri, et al, 2005). Under the non-probability sampling, convenience sampling has been used for this research study. Convenience sampling procedure is the most convenient way of obtaining the data in the UAE. Surveys refer to a method of data collection that utilizes questionnaires or interview techniques for recording the verbal behavior or respondents. The survey is an effective tool to get opinions, attitudes and descriptions as well as for getting cause-and-effect relationship. (Fontana, A. and Frey, J.H., 1994)

In this research, a sample size of 220 customers have been considered, out of which 110 customers are Mashreq Bank's customers and remaining 110 customers are Standard Chartered Bank customers. The customer characteristics are the retail customers using the services of the banks such as the Account Holder, the credit card holder, the loan holder etc. The primary data collection was administered with the aid of structured questionnaires.

FINDINGS OF BUSINESS STRATEGIES AND TESTING HYPOTHESIS

The following Hypothesis was used to evaluate the business strategies of the Banks.

"The business strategies adopted by the Mashreq Bank and Standard Chartered Bank in the UAE has a positive impact on the consumers." (Re: Q. No. 1.1, 1.2, 1.3, 1.4 & 1.5)

The **Question No. 1.1** of the customer satisfaction survey relate to the overall relationship satisfaction with the MB / SCB. The Table of mean scores for Question No. 1.1 is as under:

Bank	Mean Score	Interpretation
MB	3.172	Neither satisfied nor dissatisfied
SCB	3.747	Neither satisfied nor dissatisfied

(Source: Re: Q 1.1)

It is apparent from the above table that the mean score of SCB (3.747) is higher than the mean score of MB (3.172). This indicates that the customers of MB & SCB are "neither satisfied nor dissatisfied" with specific reference to the overall relationship satisfaction level.

The **Question No. 1.3** of the customer satisfaction survey relate to recommending MB/SCB to friends, relatives and others. The mean score for question No. 1.3 is as under:

Bank	Mean Score	Interpretation
MB	3.704	Neither satisfied nor dissatisfied
SCB	3.5	Neither satisfied nor dissatisfied

(Source: Re: Q. No. 1.3)

The mean score of MB (3.704) is higher than the mean score of SCB (3.5). However, the interpretation remains same that is "neither satisfied nor dissatisfied" with the MB & SCB.

The question No. 1.4 of the customer satisfaction survey relates to the agreement or disagreement with the various attributes of the MB/SCB. The mean scores for question No. 1.4 are as under:

Q 1.4

	MB Mean Score	MB Interpretation	SCB Mean Score	SCB Interpretation
Mashreq Bank talks to me and understands my needs	3.635	Neither satisfied nor dissatisfied	3.22	Neither satisfied nor dissatisfied
I feel much secured, banking with Mashreq Bank	3.676	Neither satisfied nor dissatisfied	3.663	Neither satisfied nor dissatisfied
The service at Mashreq Bank is accurate, convenient & fast	3.579	Neither satisfied nor dissatisfied	3.445	Neither satisfied nor dissatisfied
Mashreq Bank has made my banking experience smooth and exciting	3.735	Neither satisfied nor dissatisfied	3.084	Neither satisfied nor dissatisfied
Mashreq Bank caters to all my financial needs	3.764	Neither satisfied nor dissatisfied	3.121	Neither satisfied nor dissatisfied
Mashreq Bank is my preferred destination for innovative offerings product and service	3.35	Neither satisfied nor dissatisfied	3.219	Neither satisfied nor dissatisfied
Mashreq Bank products offers great value added services	3.532	Neither satisfied nor dissatisfied	3.256	Neither satisfied nor dissatisfied

Average Mean Score 3.610 Neither satisfied Nor satisfied 3.286 Neither satisfied nor dissatisfied

(Re: Q NO. 1.4)

This table reflects on the major attributes of the MB/SCB with specific reference to customer satisfaction. The average mean score of MB (3.610) is higher than the average mean score of SCB (3.286). However, the interpretation remains same as "neither satisfied nor dissatisfied". It is apparent from the table that MB has made banking experience to customers smooth (mean score 3.735) and exciting as also caters to all the financial needs (mean score: 3.764). However, SCB customers feel much secured banking with them (means score : 3.663) & also feel that the bank offers accurate, convenient and fast service (mean score: 3.445). The question No. 1.5 of the customer satisfaction survey relate to evaluating the core service attributes of MB and SCB. The mean scores of MB & SCB are as follows:

	MB Mean Score	MB Interpretation	SCB Mean Score	SCB Interpretation
Ease of parking	3.792	Neither satisfied nor dissatisfied	3.115	Neither satisfied nor dissatisfied
overall appearance of bank-ambience	3.961	Neither satisfied nor dissatisfied	3.908	Neither satisfied nor dissatisfied
spaciousness of the bank	3.942	Neither satisfied nor dissatisfied	4.025	satisfied
cleanliness of the bank	4.161	satisfied	4.008	satisfied
clarity of signages	3.981	Neither satisfied nor dissatisfied	3.892	Neither satisfied nor dissatisfied
positioning / visibility of signages	3.838	Neither satisfied nor dissatisfied	3.551	Neither satisfied nor dissatisfied
new product displays	3.933	Neither satisfied nor dissatisfied	3.855	Neither satisfied nor dissatisfied
availability of deposit / withdraw slips, application forms etc	4.028	satisfied	3.933	Neither satisfied nor dissatisfied
queues at teller counter	3.635	Neither satisfied nor dissatisfied	3.588	Neither satisfied nor dissatisfied
wait time to meet staff	3.471	Neither satisfied nor dissatisfied	3.669	Neither satisfied nor dissatisfied
transaction time	3.773	Neither satisfied nor dissatisfied	3.760	Neither satisfied nor dissatisfied
friendliness of staff	3.962	Neither satisfied nor dissatisfied	3.710	Neither satisfied nor dissatisfied
helpfulness of staff	3.915	Neither satisfied nor dissatisfied	3.333	Neither satisfied nor dissatisfied
ability to meet your banking needs	3.792	Neither satisfied nor dissatisfied	3.945	Neither satisfied nor dissatisfied
speed of service	3.766	Neither satisfied nor dissatisfied	3.743	Neither satisfied nor dissatisfied
service reliability	3.787	Neither satisfied nor dissatisfied	3.693	Neither satisfied nor dissatisfied
service flexibility	3.88	Neither satisfied nor dissatisfied	3.495	Neither satisfied nor dissatisfied
Pricing	3.31	Neither satisfied nor dissatisfied	3.487	Neither satisfied nor dissatisfied
service accuracy	3.51	Neither satisfied nor dissatisfied	3.766	Neither satisfied nor dissatisfied
service range	3.634	Neither satisfied nor dissatisfied	3.754	Neither satisfied nor dissatisfied
service convenience	3.583	Neither satisfied nor dissatisfied	3.644	Neither satisfied nor dissatisfied
staff potential competence	3.558	Neither satisfied nor dissatisfied	3.643	Neither satisfied nor dissatisfied
errors corrected promptly	3.444	Neither satisfied nor dissatisfied	3.403	Neither satisfied nor dissatisfied

Average mean score 3.677 Neither satisfied Nor dissatisfied 3.692 Neither satisfied nor dissatisfied

(Source: Re: Q No.1.5)

The question No. 1.5 evaluates the satisfaction level of the core service attributes of the MB & SCB. The average mean score of MB (3.767) is higher than the average mean score of SCB (3.692). However, the result remains same that is "neither satisfied nor dissatisfied" The customers of MB are satisfied with the following attributes:

- Cleanliness of the bank
- Availability of deposit/withdraw slips, applications forms etc.

The customers of SCB are satisfied with the following attributes:

- Spaciousness of the bank
- Cleanliness of the bank

However, all other attributes mostly conform to "neither satisfied nor dissatisfied". As most of the attributes of MB & SCB fall under the category of "Neither satisfied nor dissatisfied", it is apparent that the business strategies adopted by the MB & SCB may or may not have any positive impact on the consumers.

CONCLUSION AND RECOMMENDATIONS

Based on the findings of this research, it is evident that the best business strategies adopted by the MB are: first everywhere, innovation, affiliates and associates, e-technology, cost saving measures etc. However, the worst business strategy is adopting high fees and penalties.

Based on research, it is evident that that the best business strategies adopted by the SCB are: Corporate Social Responsibility, e-technology, mobile banking, tele-banking and relationship strategies. The worst business strategy is adopting high fees and hidden charges.

The Hypothesis namely "The business strategies adopted by the Mashreq Bank and Standard Chartered Bank in the UAE has a positive impact on the consumers", was tested by using percentage, mean score and average mean score with ref. to question Nos. 1.1, 1.2, 1.3, 1.4 & 1.5. All the attributes mostly conformed to "neither satisfied nor dissatisfied". As most of the attributes of the MB & SCB fell under the category of "Neither satisfied nor dissatisfied", it is concluded that the business strategies adopted by the MB & SCB may or may not have any positive impact on the consumers.

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A STUDY ON READER'S PREFERENCE OF THE GULF NEWS AND THE KHALEEJA NEWS PAPERS IN THE UAE**DR. K. DURGA PRASAD****HEAD****DEPARTMENT OF MANAGEMENT****BIRLA INSTITUTE OF TECHNOLOGY (MESRA)****INTERNATIONAL CENTRE****UAE****BANDA RAJANI****LECTURER****DEPARTMENT OF MANAGEMENT****BIRLA INSTITUTE OF TECHNOLOGY (MESRA)****INTERNATIONAL CENTRE****UAE****ABSTRACT**

Newspapers play a very vital role in nation building, bringing revolution, exposing crimes and criminals and educating the masses. It is rightly said that pen is mightier than sword. Thus the press is an effective medium of public information. This study helps to know the people's preference of The Gulf News and Khaleeja Times News papers and the satisfaction levels of the readers. This study helps us to identify the best English newspaper in the UAE Market. The study given by the readers are limited to readers own perception, opinion, emotion, knowledge, feelings and awareness. The study analyse the various sources that influences the readers to purchase that news papers.

KEYWORDS

Reader's preferences, gulf news, khaleeja news.

INTRODUCTION

In the present world, newspapers have become as necessary as food and clothing. This especially is true in the case of modern educated people who cannot enjoy their breakfast unless they have morning newspaper. Multifarious event are taking place around the world and they are reported everywhere by newspapers. Without the help of news papers we cannot know the latest developments that are taking place around us. The word "Press" means news papers (or) periodicals, it also means the people associated with newspapers, such as editors, reporters publishers etc. Newspapers play a very vital role in nation building, bringing revolution, exposing crimes and criminals and educating the masses. It is rightly said that pen is mightier than sword. Thus the press is an effective medium of public information.

PROFILE OF GULF NEWS PAPER

Gulf News is a daily English language newspaper published from Dubai, in the United Arab Emirates with a 2008 BPA audited circulation of over 115,000 readers. The newspaper won the Asia - Pacific award for best newspaper production in July 1990.

Gulf News was first launched in tabloid format on September 30, 1978 by prominent UAE businessman Abdul Wahab Galadari; In November 1984, three leading UAE businessmen, purchased the company and formed Al Nisr Publishing. The new owners of the paper were Obaid Humaid Al Tayer, Abdullah Al Rostamani and Juma Al Majid. With the death of Abdullah Al Rostamani in 2006, his position on the board is held by a family nominee while the other directors remain. Under new ownership, Gulf News was re-launched on December 10, 1985 and was free to the public after moving into new premises in 1986; Gulf News began to be distributed to other GCC countries: Bahrain from September 1987; Oman from April 1989; Saudi Arabia from March 1989; and Qatar from April 1989. It also became available in Pakistan from August 1988.

In order to provide better local coverage for its readers, Gulf News opened various bureaus around the United Arab Emirates, the GCC and the Subcontinent. The Abu Dhabi bureau was opened in 1982; Bahrain bureau in January 1988; Oman bureau in 1989; Manila bureau in August 1990; Al Ain bureau in 1994; Sharjah bureau in May, 1995; and the New Delhi bureau in November 1995. The first Web Edition of Gulf News was launched on September 1, 1996.

PROFILE OF KHALEEJ TIMES

Khaleej Times was the first English language newspaper to be launched in Dubai, United Arab Emirates. Since its inception in 1978, the newspaper has been playing an important role in the development of the media in the GCC region. It currently enjoys a circulation of over 70,000, with a majority of the readership based in the UAE. The newspaper, which is published as a broadsheet, also reaches readers in Bahrain, Oman, Kuwait, Qatar and Saudi Arabia, in addition to being sold on stands in the UK, India and Pakistan. Daily, Weekly and regular Supplements are part of the Khaleej Times offerings. Among them being City Times, Weekend, Young Times and special interest supplements. As it celebrates its 30th anniversary this year, Khaleej Times plans to unveil new initiatives for its readers. Khaleej Times is a portfolio company of the Investment Corporation of Dubai. It had a multinational readership of 450,000.

SCOPE THE STUDY

Due to the necessity of knowing the local, national, international news, people depends upon newspaper. However people are now aware of many newspapers available in the market. This study helps to know the people's preference of The Gulf News and Khaleeja Times News papers and the satisfaction levels of the readers.

This study helps us to identify the best English newspaper in the UAE Market.

RESEARCH METHODOLOGY

A research design is purely and simply basic framework plan for a study that guides the collection of data analysis of the data. In consumer surveys, the descriptive research design in collection and analysis of the data were adopted.

RESEARCH DESIGN AND SOURCE OF THE DATA

Research design is the map of blue print according to which the research is to be conducted. The research design call for decisions on the data sources, research approaches, research instruments, sampling plan and contact methods. The researcher used close-ended questionnaire to collect the primary data.

The researcher collected the primary data through survey research by the use of questionnaire. Secondary data was collected from the firm's internal records journal, newspapers and other published documents. The researcher used closed-ended questions in the form of questionnaire to collect the primary data.

SAMPLING DESIGN

In this study, the researcher has adopted non-probability random sample technique for the survey. So, convenient sampling has been used.

SAMPLING PLAN

The sample unit of the research is that of population, that is respondents who read both the Gulf and Khaleeja Times regularly. The sample size is 150 readers who regularly read these two news papers.

OBJECTIVES OF THE STUDY

1. To study the preference of readers towards particular newspaper.
2. To analyse the various sources that influences the readers to purchase that news papers.
3. To study the changes required in the news papers by the reader in future.

LIMITATIONS OF THE STUDY

1. The study given by the readers are limited to readers own perception, opinion, emotion, knowledge, feelings and awareness.
1. The result of the study is fully dependent on the correctness of the information given by the respondents through the questionnaire
2. The data collected for the study are quantitative being subject to personal bias of the readers.
3. The sample size is just 150 which are very small for generalization.

DATA ANALYSIS AND INTERPRETATION

TABLE 1: AGE OF THE RESPONDENTS

S. No	Age	No. of Respondent	Percentage
1	20-30 Years	84	56
2	31-40 Years	36	24
3	41-49 years	24	16
4	50 & above	6	4
	Total	150	100

Among 150 respondents 56 per cent of the respondents belong to 20-30 years of age, 24 per cent of the respondents belong to 31-40 years of age, 16 per cent of the respondent belongs to 41-49 years of age and 4 per cent of the respondents belong to above 50 years of age. Hence, majority of the respondents in our study belongs to 20-30 years of age.

TABLE 2: GENDER OF THE RESPONDENT

S. No	Gender	No. of Respondents	Per cent age
01	Male	104	69.0
02	Female	46	31.0
	Total	150	100.00

Among 150 respondents 69 per cent belong to male category and 31 per cent of the respondents belong to female category. Hence, majority of the respondents belong to male category.

TABLE 3: OCCUPATION OF THE RESPONDENT

S. No	Occupation	No. of Respondents	Per cent age
01	Professional	38	25.00
02	Students	40	27.00
03	Business	36	24.00
04	Employee	36	24.00
	Total	150	100.00

It is observed from the above table that 25 per cent of the respondents belong to professional category, 27 per cent of the respondents belong to student's category 24 per cent of the respondents belong to business category and remaining 24 per cent of the respondents constitute employee category. Thus, it can be concluded that majority of the respondents belong to students category.

TABLE 4: EDUCATIONAL QUALIFICATION OF THE RESPONDENTS

S. No	Educational Qualification	No. of Respondents	Per cent age
01	School Level	15	10.00
02	UG Level	81	54.00
03	PG Level	41	27.00
04	Others	13	9.00
	Total	150	100

The above table shows that the 10 per cent of the respondents are educated at school level, 54 per cent of the respondents at UG level, 27 per cent of the respondents at PG level and 9 per cent of the respondent PG level. Hence, the majority of 54 per cent of the respondents have had UG level education.

TABLE 5: SIMPLE USAGE OF LANGUAGE

S. No	Opinion	No. of Respondents	Per cent age
01	The Gulf	63	42
02	Khaleeja Times	87	58
	Total	150	100

The above table shows out of the total 150 respondents 42 per cent of the respondents have chosen The Gulf news papers and the remaining 87 respondent's i.e 58 per cent chosen Khaleeja Times for the same. From the above table it can be concluded that Khaleeja Times has a simple usage of language.

TABLE 6: NEW APPROACH OF EVENT

S. No	Opinion	No. of Respondents	Per cent age
01	The Gulf	87	58
02	Khaleeja Times	63	42
	Total	150	100

The above table shows that in total 150 respondents 58 per cent of the respondents have chosen The Gulf news paper for new approach of event remaining 42 per cent of the respondents have chosen The Khaleej Times for the same.

Hence, it can be concluded that The Gulf news paper has a different way of presentation of events.

TABLE 7: EDITORIAL MATURED ESSAYS

S. No	Opinion	No. of Respondents	Per cent age
01	The Gulf	76	51
02	Khaleeja Times	74	49
	Total	150	100

The above table shows that out of the total of 150 respondents, 51 per cent of the respondents, have chosen The Gulf for matured essays, remaining 49 per cent of the respondents have chosen Khaleej Times for matured essays. From the above table it concluded that The Gulf contains matured essays in the editorial column.

TABLE 8: WELFARE PROGRAMME OF GOVERNMENT

S. No	Opinion	No. of Respondents	Per cent age
01	The Gulf	84	56
02	Khaleeja Times	66	44
	Total	150	100

The above table shows that in the total of 150 respondents 56 per cent of the respondents choose 'The Gulf' for publishing many welfare programs of government, remaining 44 per cent of the respondents have chosen Khaleej times for the same.

From the above table it can conclude that the respondent feel that 'The Gulf' published lot of welfare programmes announced by the government.

TABLE 9: PAPER PROVIDING CORRECT EMPLOYMENT NEWS

S. No	Opinion	No. of Respondents	Per cent age
01	The Gulf	84	56
02	Khaleeja Times	66	44
	Total	150	100

The above table shows that the total of 150 respondents 56 per cent of the respondents have chosen 'The Gulf News' for providing correct employment news, remaining 44 per cent of the respondents have chosen 'Khaleej Times' for the same.

Hence, it can conclude that the majority of 56 per cent of the respondents feel that 'The Gulf News' newspaper provides authenticated employment news.

TABLE 10: INTERNATIONAL NEWS ACCURATE

S. No	Opinion	No. of Respondents	Per cent age
01	The Gulf News	83	55
02	Khaleeja Times	67	45
	Total	150	100

The above table shows that in the total of 150 respondents 55 per cent of the respondents have chosen "The Gulf News" for news paper providing international news accurately, remaining 45 per cent of the respondents have chosen Khaleeja Times for the same.

Hence it can conclude that the 'The Gulf News' provides accurate international news.

TABLE 11: PAPER GIVES ENOUGH OF EDUCATIONAL NEWS

S. No	Opinion	No. of Respondents	Per cent age
01	The Gulf News	74	49
02	Khaleeja Times	76	51
	Total	150	100

The above table shows that in the total of 100 respondents 49 per cent of the respondents have chosen 'Gulf News' for providing more educational news, remaining 51 per cent of the respondents have chosen 'Khaleej Times' for the same.

Hence, it concluded that Khaleeja times provide sufficient educational news.

TABLE 12: PROVIDES UP-TO DATE SPORTS NEWS

S. No	Opinion	No. of Respondents	Per cent age
01	The Gulf News	66	44
02	Khaleeja Times	84	56
	Total	150	100

The above table shows that in the total 150 respondent 44 per cent of the respondents have chosen 'The Gulf News' for providing up-to-date sports news, remaining 56 per cent of the respondents have chosen Khaleeja Times newspaper provides up-to-date sports news.

Hence, it can be concluded from the above table that 'Khaleeja Times' news paper provides up-to-date sports news.

TABLE 13: MERITS AND DEMERITS OF RULING GOVERNMENT

S. No	Opinion	No. of Respondents	Per cent age
01	The Gulf News	86	57
02	Khaleeja Times	64	43
	Total	150	100

The above table shows that in the total of 150 respondent 57 per cent of the respondents have chosen 'The Gulf News' for providing both merits and demerits of the government; remaining 43 per cent have chosen 'Khaleeja Times' for the same.

Hence, from the above table it can conclude that majority 57 per cent of respondents felt that "The Gulf News" Newspaper provides the merits as well as demerits of the government.

TABLE 14: INFORMATION FOR YOUTH DEVELOPMENT

S. No	Opinion	No. of Respondents	Per cent age
01	The Gulf News	70	47
02	Khaleeja Times	80	53
	Total	150	100

The above table shows that in the total 150 respondents 47 per cent of the respondents have chosen The Gulf Newspaper for providing more information for youth development, remaining 53 per cent of the respondents have chosen Khaleeja Times for the same. Hence it can conclude that Khaleeja Times provides more information for youth development.

TABLE 15: INTERVIEW OF ACHIEVED PERSON

S. No	Opinion	No. of Respondents	Per cent age
01	The Gulf News	87	58
02	Khaleeja Times	63	42
	Total	150	100

The above table shows that in the total of 150 respondents 58 per cent of the respondents have chosen 'The Gulf News' Newspaper for interview of achieved person, remaining 42 per cent of the respondents have chosen 'Khaleeja Times' for the same.

From the above study we can conclude that "The Gulf News" has the majority of providing the interview of achieved person.

TABLE 16: BUSINESS AND ECONOMY

S. No	Opinion	No. of Respondents	Per cent age
01	The Gulf News	83	55
02	Khaleeja Times	67	45
	Total	150	100

The above table shows that in the total of 150 respondents 55 per cent of the respondents have chosen 'The Gulf News' for business and economy, remaining 45 per cent of the respondents have Khaleeja Times for the same.

From that study it concludes that 'The Gulf' gives the authenticated business and economy news.

TABLE 17: MAXIMUM GOVERNMENT CONTRACTS/TENDERS

S. No	Opinion	No. of Respondents	Per cent age
01	The Gulf News	87	58
02	Khaleeja Times	63	42
	Total	150	100

The above table shows that in the total of 150 respondents 56 per cent of the respondents have chosen 'The Gulf News' for maximum Government contracts, tenders, and remaining 44 per cent of the respondents have chosen 'Khaleeja Times' for the same.

It is concluded from the above study that 'The Gulf News' has the maximum Government contracts/Tenders news.

TABLE 18: MORE INFORMATION RELATING TO STOCK MARKET

S. No	Opinion	No. of Respondents	Per cent age
01	The Gulf News	89	59
02	Khaleeja Times	61	41
	Total	150	100

The above table shows that in the total 150 respondents 59 per cent of the respondents have chosen 'The Gulf News' for stock market information, remaining 41 per cent of the respondents have chosen 'Khaleeja Times' for the same. Hence, from that we can finally conclude that 'The Gulf News' give updated news of stock market.

TABLE 19: CONCENTRATED MORE ON ADVERTISEMENT

S. No	Opinion	No. of Respondents	Per cent age
01	The Gulf News	95	63.00
02	The Khaleeja Times	55	37.0
	Total	150	100

The above table shows that in the total of 150 respondents 63 per cent of the respondents have chosen 'The Gulf News' for advertisement news, remain 37 per cent of the respondents have chosen 'Khaleeja Times' for same.

From that we can conclude that 'The Gulf News' concentrates more on advertisement.

TABLE 20: MORE INFORMATION ABOUT CURRENCY VALUE

S. No	Opinion	No. of Respondents	Per cent age
01	The Gulf News	73	49.00
02	Khaleeja Times	77	51.00
	Total	150	100

The above table shows that in the total of 150 respondents 51 per cent of the respondents have chosen 'Khaleeja Times' for currency value information, remaining 49 per cent of the respondents have chosen 'The Gulf News' for the same.

From the above study we can conclude that 'Khaleeja Times' has the majority in providing the currency value news.

TABLE 21: LETTER TO THE EDITOR

S. No	Opinion	No. of Respondents	Per cent age
01	The Gulf News	81	54.00
02	Khaleeja Times	69	46.00
	Total	150	100

The above table shows that in the total of 150 respondents 54 per cent of the respondents have chosen 'The Gulf News' for best letter to the editor, remaining 46 per cent of the respondents have chosen 'Khaleeja Times' for the same.

From that we get into conclusion that 'The Gulf News' readers prefer letter to the Editor column the most.

TABLE 22: PHOTO CLIPPINGS

S No	Opinion	No. of Respondents	Per cent age
01	The Gulf News	81	54.00
02	Khaleeja Times	69	46.00
	Total	150	100

The above table shows that in the total 150 respondents 54 per cent of the respondents have chosen 'The Gulf News' for photo clippings remaining 46 per cent of the respondents chosen 'Khaleeja Times' for the same.

Hence from that we can conclude that the photo clippings of the 'The Gulf News' has been preferred the most.

TABLE 23: PAPER GIVE USEFUL SUPPLEMENTS

S. No	Opinion	No. of Respondents	Per cent age
01	The Gulf News	87	58
02	Khaleeja Times	63	42
	Total	150	100

The above table shows that in the total 150 respondents 58 per cent of the respondents chose 'The Gulf News' for best supplements, remaining 42 per cent of the respondents have chosen 'Khaleeja Times' for the same.

From the above study it can conclude that 'Gulf News' has the majority in giving useful and best supplements.

CHI-SQUARE ANALYSIS

TABLE 24: AGE AND OPINION ABOUT THE EDITORIAL ESSAYS (Two-way-Table)

S. No	Age	Opinion about the editorial essays		
		The Gulf News	Khaleeja Times	Total
1	20-30 Years	47	38	85
2	31-40 years	13	23	36
3	41-49 years	15	8	23
4	Above 49 years	1	5	6
	Total	76	74	150

Null Hypothesis (H0) There is no significant relationship between age and opinion about the editorial essays.
 Alternative Hypothesis (H1) There is close significant relationship between age and opinion about the editorial essays.
 Chi-square (χ^2) Calculation

Test used	Degree of Freedom	Level of Significance	Calculated value	Table value	Result
Chi-square	3	5%	7.912	7.815	Accept

It is found from the above analysis that calculated chi-square value is greater than the table value at 3 degree of freedom. So, we concluded that, there is close significant relationship between the age and opinion about the editorial essays.

TABLE 25: AGE AND OPINION ABOUT THE ADVERTISEMENT (Two-way Table)

S. No	Age	Opinion about advertisement		
		The Gulf News	Khaleeja Times	Total
1	20-30 Years	57	24	81
2	31-40 years	23	14	37
3	41-49 years	12	12	24
4	Above 49 years	3	5	8
	Total	95	55	150

Null Hypothesis (H0) - There is no significant relationship between age and opinion about the advertisement.
 Alternative Hypothesis (H1) - There is close significant relationship between age and opinion about the advertisement.

Chi-square (χ^2) Calculation

Test used	Degree of Freedom	Level of Significance	Calculated value	Table value	Result
Chi-square	3	5%	6.80	7.815	Accept

It is found that from the above analysis that calculated chi-square value is less than table value at 3 degree of freedom. So, we concluded that, there is no close significant relationship between the age and opinion about the advertisement.

TABLE 26: EDUCATIONAL QUALIFICATION AND OPINION ON PROVIDING INFORMATION ABOUT CURRENCY VALUE (Two-way Table)

S. No	Age	Opinion on providing information about currency values		Total
		The Gulf News	Khaleeja Times	
1	School level	10	6	16
2	UG Level	31	50	81
3	P.G Level	20	19	39
4	Others	12	2	14
	Total	73	77	150

Null Hypothesis (H0) - There is no significant relationship between educational qualification and opinion on providing information about currency value.
 Alternative Hypothesis (H1) - There is close significant relationship between educational qualification and opinion on providing information about currency.

Test used	Degree of Freedom	Level of Significance	Calculated value	Table value	Result
Chi-square	3	5%	13.83	7.815	Reject

It is found from the above table that calculated chi-square value is greater than the table value at 3 degree of freedom. So, we conclude that, there is close significant relationship between the educational qualification and opinion on providing information about currency value.

SUGGESTIONS FOR THE GULF NEWS

- There should be simple usage of language.
- Educational news should be adequate.
- Correct political news has to be given.
- Employment news also should be concentrated.
- Youth development information should be given importance.
- More concentration must be given on exposing the government development Programme to people.

SUGGESTIONS FOR KHALEEJA TIMES

- International affairs should be concentrated more.
- Information on stock market should be given importance.
- Business and economy sectors also have to be given extra concentration.

4. Youth development oriented information should be given importance.
5. Photo clippings have to be added.
6. Supplements for children's skill development can be given.
7. Science and technology news should be more concentrated.
8. Agriculture oriented news must be given.
9. News related to rural development programmes should be added.

CONCLUSION

A study on reader's preference of The Gulf News and Khaleej Times news paper has given us Valuable information. The study helped us great experience and made us understand the importance of newspaper. We could understand the satisfaction level of both The Gulf News and Khaleej Times newspaper reader preference.

Thus, it can be concluded that The Gulf News newspaper is the best where compared to the Khaleej Time newspaper due to various factor such as best photo clipping, editorial essays, good advertising, news approach of event, correct employment news etc.

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LOCAL GOVERNMENT AUDIT IN NIGERIA: EFFECTIVENESS AND AUTONOMY

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ABSTRACT

This study examines the effectiveness of the current system of financial audit of local government councils in Nigeria. It also examines the implication of the system for the autonomy of local government councils in a federal system of government from the perspective of the various stakeholders. It presents the results from a sample of local and state government internal and external auditors and financial analysts in Edo State. The data were analyzed using descriptive statistics as the study is considered exploratory. The study finds that the current system of local government audit is largely ineffective and that the system is inconsistent with the principle of local government autonomy. It also recommended various processes to overcome the weaknesses and reinforce the strength of the current audit of local governments in Nigeria.

KEYWORDS

audit effectiveness, External audit, local government autonomy

INTRODUCTION

In modern day public sector governance, government organizations act as agents on behalf of the people in using public resources and authority to accomplish established goals of society. In this connection government, the public organizations must account for how they use the resources entrusted to their care as agents of the people. Accountability in the government sector demands unique governance principles because of the unique nature of government. For example, unique to the government are the importance of political issues, the not-for-profit nature of government activities and the ultimate objective of government, which is to render a public service. In addition to the above, government hold coercive (police, taxation and regulatory) power over citizens and economic enterprises. As a consequence of these, there must be protections to ensure accountability in the use of these powers and in the delivery of the expected services. According to the Institute of Internal Auditors (2006), these protections are fundamental in political systems in which citizens endow the government with its powers. In other words, the public sector represents a principal - agent relationship. The government officials acting as the principal's agents must periodically account to the principal for their use and stewardship of resources and the extent to which the public objectives have been accomplished.

Historically, auditing has been used as the means by which an objective assessment of how the agent (namely the government official) has carried out its assignment. Audit activity reduces the risks inherent in the principal - agent relationship. The principal rely on the auditor to provide an independent and objective evaluation of the accuracy of the agents' (government officials) accounting and to report on whether the agent has used the resources in accordance with the principal's wishes. According to the Institute of Internal Auditors (2006), the need for a third party to attest to the believability (credibility) of the government financial reporting, performance results, compliance and other measures arises from several factors inherent in the relationship between the principal and its agents; (i) Moral hazards - conflict of interests: agents may use resources and authority to benefit their own interest, rather than the principal's interests; (2) Remoteness- operations may be physically removed from the principal's direct oversight; (3) complexity - the principal may not possess the technical expertise needed to oversee the activity; (4) consequences of error. Flowing from the foregoing roles of the auditor in the government sector, the auditor or audit function must have the technical ability, the independence and the enabling environment and structure to carry out its assignment effectively.

Nigeria has three layers (tiers) of public sector institutions. They are categorized as federal government, state government and local government institutions. The federal government institutions concentrate on federal government functions which have an overall interest about Nigeria. In addition to the federal government structure, the country is divided into 36 states. Each and every state of Nigeria has its own elected government with a state legislative assembly or parliament. Each state government maintains its own state government departments and other institutions in order to carry out state administrative functions. The states are further divided into 774 local government councils each with an elected chairman and an elected legislature. The public accountability in the federal government institutions are monitored by the office of the Auditor General of the federation. Similarly each state has its own public accountability mechanism headed by the Auditor General of the respective state. On the other hand, the local government councils do not have their own independent accountability institutions in the form of a separate audit office. Rather each state government has an Auditor General for Local Government that oversees the accountability mechanism in all the local government councils of the state.

Two key issues have been identified in the audit system of local government councils in Nigeria. The first is that of effectiveness while the second is the implication of the system for the autonomy of local government councils. On effectiveness, it has been argued that the local government system in Nigeria has not achieved the desired objective of ensuring accountability in the local government councils. This assertion has been with almost no contradiction. On local government autonomy, however, there have been two opposing views. One view is that as elected governments, local government councils are entitled to complete autonomy comparable to that enjoyed by the states. In this connection, it is argued that state government should not oversee the accountability mechanisms of local government councils. The opposing view says that though local government councils need autonomy, that autonomy cannot be absolute. This view expounds the tutelage principle which is a feature of central models of public government and administration. They argued that objective independent scrutiny of the activities of local government councils is important to ensure proper accountability for the use of public money. The following research questions have been developed to address these issues (i) is there an adequate constitutional /legal framework for local government audit in Nigeria?;(ii) Has the local government external audit function adequate managerial resources and autonomy?; (iii) Is the audit methodology adequate for an effective audit?;(iii) Are the reporting relationships of the audit function adequate for an effective audit? (iv) Are the reporting relationships adequate?;(v) Are there adequate monitoring and follow up mechanisms in the system to ensure that audit findings are implemented?;(vi)What is the effect of the current system of local government audit on local government autonomy?

LITERATURE REVIEW

To carry out its policies effectively, government depends on scores of bureaucrats to implement government policies faithfully. According to Lorenz and Stefan (2007), many states have attempted to mitigate the underlying principal - agent problem by creating Supreme Audit Institutions (SAIs) who are to audit the legality but often also the efficiency and even the effectiveness of the spending behavior of many government bureaus (Please note that in Nigeria, the office of the Auditor General is the Supreme Audit Institution). The World Bank (2001) claims that SAIs is useful in managing public spending ensuring financial accountability, and strengthening public institutions. Almost all countries have a SAI. INTOSAI, the International Organization of Supreme Audit Institutions has more than 170 members (Lorenz and Stefan, 2004). According to Lorenz and Stefan (2007), if SAIs function effectively, they could indeed have far reaching consequences: they could affect fiscal policy as government expenditure could be lower which could also affect government revenue and deficit levels. SAIs could further have an influence on government effectiveness: monitoring the spending behavior of government bureaus might decrease (perceived) corruption levels as well as increase government effectiveness on a general level. Eventually they could improve (iii) the general productivity of resources used in the economy by improving labour and total factor productivity. Empirical studies have identified the huge benefits derivable from having effective SAIs. Schelker and Eichenberger (2003), find that stronger supreme audit institutions lead to lower tax burdens and expenditures. Also Schelker and Eichenberger (2004), find that stronger audit institutions lead to lower tax rates. On their part, Torgler and Schalgger (2006), observe that strong SAIs are one significant variable in determining the level of political discussion among cantons.

Thus, an effective SAI is indispensable to good public governance. There is considerable literature on the pre-requisites for an effective SAI. According to INTOSAI (2001), Supreme Audit Institutions generally recognize eight core principles which flow from the Lima Declaration and decisions made at the XVIIth Congress of INTOSAI (in Seoul, Korea), as essential requirements of proper public sector auditing. The eight principles are (i) the existence of an appropriate and effective constitutional/ statutory legal framework and of de facto application provisions of this framework. (ii) the independence of SAI heads and members (of Collegiate Institutions), (iii) a sufficiently broad mandate and full discretion in the discharge of SAI functions (iv) Unrestricted access to information, (v) the right and obligation to report on their work, (vi) the freedom to decide the content and timing of audit reports and to publish and disseminate them; (vii) the existence of effective follow-up mechanisms and (viii) financial and managerial/ administrative autonomy and the availability of appropriate human, material and monetary resources. These principles form the first leg (effectiveness) which the study examines. The second aspect is the implication of the current system of audit for the autonomy of the local government councils who are also elected representatives of the people. We now examine them in turn.

CONSTITUTIONAL/ LEGAL FRAMEWORK

According to the Institute of Internal Auditors (2006), for an effective public sector audit, the audit activities, powers and duties should be established by the government's constitution/ charter or other basic legal document. It went further to say that the document should among others, address procedures and requirements of reporting, and the obligation of the audited entity to collaborate with the auditor. According to the World Bank (2002), auditing mandates should be anchored in rules set by parliament. Before drafting such legislation SAIs and government must determine the auditor's independence and reporting responsibilities, the scope of audits and entities to be audited. INTOSAI (2008), through the International Standards of Supreme Audit Institutions (ISSAI) II on Guidelines and Good practices Related to SAI independence, provide further guidance on constitutional/legal framework for public sector audit. In Nigeria, the legal framework for audit of local government councils is spelt out in the financial memoranda for local government. By section 39.1 of the Memoranda, there shall be established in each state, the office of the Auditor – General who shall be appointed by the governor of the state subjected to the confirmation of the state House of Assembly. Section 39.1 (1) empowers the Auditor General for local government to carry out on regular basis, the auditing of local government Accounts while section 39.1 (2) gave him the power to sanction and surcharge any officer in accordance with section 39.3 of the financial memoranda (Audit Queries and Sanctions).

Thus there is a legal framework for the audit of local government councils in Nigeria.

INDEPENDENCE OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENT

The Independence of the auditor is a sine quo non for the effectiveness of any audit whether in the private or public sector. According to Harris (1997), it is surprising that a subject which has been discussed in Australia since the first Auditor – General was appointed in 1824 still deserve discussion. Perhaps as professor (now Justice) Finn alluded in 1995, the subject reflects as much on the independence of parliament as it does on Auditor General. According to Gordon (2009), the presence of an independent Auditor General who is generally beyond the reach of partisan politics and who perform their tasks independently is a significant contributor to the overall integrity of a government integrity system. Speaking in a similar vein, the Australia Council of Auditor Generals (2004), noted that the need for an effective and independent Auditor General is almost universally accepted as a hallmark of our democratic institutions. The Auditor General plays a pivotal role in supporting parliament in its function of authorizing and supervising the spending of public money by the executive. See also Bracks (1999).

INTOSAI (2004) did not attempt a conceptual definition of the independence of SAI. Indications of what independence of SAI connotes, however, abounds in the literature. According to Gay (2002), the value of an independent audit lies both in the fact that the auditor is, and is seen to be, independent of the audited entity, and hence is able to carry out the audit free of any externally imposed constraints. Gay (2002:15) further asserted that "independence required a freedom from susceptibility to undue influence or pressure, any of which could lead to a belief that the audit opinion was determined other than by a reference to the facts of the audit alone." The above statement clearly indicate that the SAI should not only be independent of the audit institutions but of any external body. According to Ken (2004), the fundamental aspect of the independence of SAIs is the freedom from direction by the executive or influence by specific agencies. But does that mean that the SAI should not be independent of the legislature? Ken (2004) noted that the independence from the parliament is a more vexed issue. According to him, the common wealth does not provide for direction by the parliament or the Public Accounts Committee. If the SAI is independent of the legislature and the Executive, then it has become the fourth organ of government after the executive, the legislature and the judiciary. To avoid this unwholesome situation, it has been suggested that the SAI has to be accountable to the public through well defined channels. According to DFID (2005), SAIs should be part of the accountability chain, not only in the sense of helping to ensure others are accountable but in the sense of being accountable itself. The question then is "who audits the SAI?" According to DFID (2005), the SAI should be accountable in the broadest sense to all part of the community it serves - the tax payers and the general public, and not just the bodies which can directly affect the level of the SAI's own resources (i.e. parliament) or in some cases, the Executive. In this connection, DFID (2005) suggested that as part of the accountability framework of the SAI, the SAI's annual accounts should be independently audited and publicly available.

Now let us go back to the criteria for judging the independence of SAIs. Various measures of independence have been indicated in the literature. While the level and numbers may vary, there is general agreement on things that may affect the independence of the SAI. The National Audit office (UK) (1988) established the following criteria for independence of SAI institutions. (i) appointment and dismissal of the SAI not to be within the prerogative of the executive, (ii) the SAI's salary to be a direct charge on public funds and not subject to annual appropriations, (iii) The SAI's right to report directly to the legislature (rather than to or through the executive) and to decide the nature and timing of the report; (iv) The SAI right to appoint and pay staff; (v) The SAI to have discretion to decide whether or not to accede to requests emanating from outside the SAI proposing matter for audit; (vi) The SAI to have right of access to paper and information and to obtain explanations and information; (vii) The audit mandate to cover all enterprises. Similar provisions have also been made for the independence of SAIs by other jurisdictions. see Cameron (2001); Trenorden (1996).

Andy Wynne, Head of the Public Sector Technical Issues with the ACCA, carried out a survey titled Audit Independence: The Case of the Nigerian Public Service in 2001 (see Andy, 2001). He used the criteria established by the National Audit Office (1988) as a guide. According to him, the organizational and reporting independence of the Auditor General (Local Government), is very similar to that of the State Auditor General and that of the Federal. He concluded that the AUDITOR General is provided with the same level of protection as the head of state.

Section 39 (1) (1) of the Financial Memoranda for Local Governments says that the Auditor General (Local Government) in each state shall be appointed by the governor of the state subject to the confirmation of the State House of Assembly while section 39 (1) (2) confers on him the power to sanction and surcharge any officer in accordance with the provisions of section 39.3 of the memorandum. Section 39 (1) (3) made him the chairman of the local government Audit Alarm Committee while section 39 (1) (4) says that he shall have access to the state Governor through the Governor's representative on the Audit Alarm Committee. The combined effects of sections 39 (1) (5) and 39 (1) (6) is that the Auditor General report to both the Governor and the public Accounts Committee of the state House of Assembly. The finding of Andy (2001) on the legal/personal independence of the Auditor General (local government) cannot be said to be exactly correct. As noted above, the Auditor General reports to both the legislature and the Governor. In fact the Auditor General reports to the Governor through the Governors representative on the local government Audit Alarm Committee.

The international Standards of Supreme Audit institutions, ISSAI 10 on Mexico Declaration of SAI independence gave the principles for the independence of SAI to be (i) Appointment, (ii) Re-appointment, or removal process that ensures their independence, (iii) Appointment with sufficiently long and fixed terms, to allow them carry out their mandates without fear of retaliation, and (iv) Immunity against any prosecution for any act past or present that results from the normal discharge of their duties as the case may be.

According to Gordon (2009), the Auditor General's independence is compromised from the beginning if the selection and appointment is by the Executive itself. According to him, if the appointment is made on the recommendation by the parliament or a committee of parliament, it ensure that the appointee has the confidence of the parliament, and also enhances the transparency of the appointment process. According to a survey, the National Audit Office UK, (2004) find that in 18 out of the 25 states in the European Union, at the time of the survey, the legislature makes the appointment. In 2001, the INTOSAI published the Task Force Report on results of an extensive survey of supreme Audit Institutions (SAIs) in 113 of its non European member states. From the survey, outside the European Union, the Auditor General is appointed by the Head of state in 77 jurisdictions by the legislature, by the legislature in 34 jurisdictions and by joint action of both the Head of state and the legislature in 8 jurisdictions. According to Gordon (2009), external supervision of the appointment process can help to ensure that prospective appointees are widely canvassed, and due process is followed and that a short list of suitable candidate is presented for final selection.

MANDATE AND DISCRETION IN THE DISCHARGE OF DUTIES

According to the INTOSAI Mexico Declaration on SAI Independence, the SAI should have a sufficiently broad mandate and full discretion in the discharge of SAI functions. According to ISSAI 10, SAIs should be empowered to audit: (i) use of public monies, resources or assets by a recipient or beneficiary regardless of its legal nature, (ii) collection of revenues owed to the government or public utilities, (iii) legality and regularity of government or public entities accounts, (iv) quality of financial management and reporting, and (v) economy, efficiency and effectiveness of government or public entities operations. According to this principle, except when specifically required to do so by legislation, SAIs should not audit government or public entities policy but should restrict themselves to the audit of policy implementation. SAIs should be free from direction or interference from the legislative or the Executive in (i) the selection of audit issues (ii) planning, programming, conduct, reporting and follow-up of their audits (iii) organization and management of their office, and (iv) enforcement of their decisions where the application of sanctions is part of their mandate. DFID (2005) noted that the most common type of audit which a SAI should carry out are (i) financial audit – focusing on providing an audit opinion on the annual accounts of public bodies, (ii) compliance/legality/regularity audit – focusing on verifying the legality of transactions which have taken place; and (iii) performance/management/value for money audit- considering the economy, efficiency and effectiveness with which resources are used. According to Gordon (2009), to have a full and effective audit mandate, the Auditor General should have the ability to undertake audit work that includes (i) financial statement accounts (ii) management systems; (iii) compliance with statutory obligations, (iv) performance indicators and or performance reporting, (v) the economy, efficiency and effectiveness of performance functions (see also World Bank (2001). According to Gordon (2009), the extent of the coverage mandate is a vexed area and one that can be quite difficult to unravel. He stated further that it is also the area where there is greatest variation between jurisdictions, and the area that enables the Executive to influence to what extent they are held accountable in their use of public resources. The Financial Memoranda for Local Government Councils stated in section 39 (1) (2) that the Auditor General (Local Government) shall have power to carry out on regular basis, the auditing of local government accounts without any elaboration as to the scope and type of audits which the Auditor General can carry out. However, section 39 (1) (3) made him the chairman of the Local Government Audit Alarm Committee while section 39 (1) (5) require him to notify the public Accounts Committee and the Local Government Council of audit alarms of significant importance and serious pre-payment audit queries for which the chief Executive of the Local Government is liable or responsible. From the constructions of sections 39 (1) (1) and 39 (1) (5), it can be said that the Auditor General (local Government) is only mandated to carry out financial audit and regularity audit. Andy (2001) did not make any comment on this issue.

UNRESTRICTED ACCESS TO INFORMATION

According to INTOSAI (2007), SAIs should have adequate powers to obtain timely, unfettered, direct, and free access to all the necessary documents and information for the proper discharge of their statutory responsibilities. According to Gordon (2009), the key components with respect to access to information are (i) the ability to access documents or information in any form that is relevant to an audit; (ii) the ability to call persons to produce documents, give evidence orally, in writing or under oath, (iii) the ability to access premises and to examine, make copies of or extracts from documents or other records; and additionally, (iv) protection of the confidentiality of information obtained by the auditor general from inappropriate disclosure. Gordon (2009) noted further that all jurisdictions studied have empowered their Auditor General to have access to documents and persons who may have information of value to their enquiries while some also enable the Auditor General access to premises under the control of government entities.

In Nigeria, the financial memorandum stated in section 39 (1) (8) that the Auditor General for Local Government shall have access to site for purposes of auditing or monitoring contract performance. The provisions of the Financial Memoranda are obviously deficient as they do not explicitly elaborate on the extent of the access eligibility of the Auditor General. Andy (2001) noted that the Auditor General has the power to call upon any officer of a local government to furnish forth with any explanation or information which he may require in order to enable him to discharge his duties. The extent of access which the Nigeria SAI for local government possesses can only be ascertained through an empirical investigation.

THE RIGHT AND OBLIGATION TO REPORT ON THEIR WORK AND THE FREEDOM TO DECIDE THE CONTENT OF THEIR AUDIT REPORTS

According to ISSAI 10, SAIs should not be restricted from reporting the results of their audit work. They should be required by law to report at least once a year on the results of their audit work. They should be free to decide the content and timing of their audit reports excepts where specific reporting requirements are prescribed by law. SAIs should also free to publish and disseminate their reports once they have been formally tabled or delivered to the appropriate authority as required by law. According to Gordon (2009), the ability to decide the content and timing of their reports is an important aspect of the independence of the Auditor General and that independent publication of these reports is a fundamental element of transparency. According to him the key components in this regard are (i) whether the Auditors General has complete discretion over when to report and what to include in or excludes from a report. (ii) the requirement for AG to consider responses of audited entities and whether they have discretion about what to include or exclude from the responses (iii) whether sensitive information may be included in the AG's report. (iv) whether the reason for withholding 'sensitive' information may be disclosed, and (v) whether the AG's reports are published for general distribution to the public.

Timeliness is a critical dimension in the dissemination of SAI's reports. Lovenz and Stefan (2007) noted that most publications of SAIs report on wasteful behavior occur months or even years after the events and that the public is usually not interested in this kind of information. According to Lovenz and Stefan (2007), most SAIs audit the behavior of government bodies only ex-post facto. Hence the question arises whether the government bodies have any incentive to change their behavior in future periods as a consequence of SAI reports. Lovenz and Stefan (2007) noted also that if SAI reports are not published, their likelihood of inducing bureaucrats to change their behavior appear rather low. If on the other hand, the SAI reports are regularly published; their impact would then depend on the

degree of press freedom realized in a given country. In Nigeria, the financial memorandum did not elaborate on the mandate of the AG in reporting his findings publicly.

THE EXISTENCE OF EFFECTIVE FOLLOW-UP MECHANISM

According to ISSAI 10, SAIs should submit their reports to the legislature, or other bodies as appropriate, for review and follow-up on specific recommendations for corrective action. Also it recommended that SAI should have their own internal follow-up reports to ensure that the audited entities properly address their observations and recommendations. According to Gordon (2009), the key component in this regard is whether the parliament has some mechanism for considering the Auditor General's findings for holding the government to account and for following up on recommendations. Lorenz and Stefan (2007) noted that most SAIs might enjoy independence but they do not have any judicial power in the sense of being able to formally sanction wasteful behavior of bureaucrats. According to Carlos (2007), lack of adequate follow-up of audit findings and enforcement of audit recommendations is a principal cause of ineffectiveness. According to him, audit findings are inconsequential if audit recommendations are not acted upon by the government forcing a reluctant bureaucracy to comply or if they are not expeditiously transmitted to the courts in case of criminal offences. He noted further that audit reports are of limited use if the dysfunctions they detect are not redressed through remedial legislative action for example through corrective legislation, inquiry commissions or impeachment proceedings (see also UNDP, 2004).

The Financial Memoranda in Nigeria contain a number of provisions in chapter 39 aimed at ensuring that those who commit fraud in the local governments are punished. By section 39 (1) (2), the Auditor General (local government) has power to sanction and surcharge any offices as contained in the financial memorandum. Appeals against such decisions lie to the Public Accounts Committee. An Audit Alarm Committee is set up vide of section 39 (2) with the Auditor General (local government) as chairman. Section 39 (3) contain audit queries and sanctions applicable. However, it is doubtful if these provisions have been faithfully executed.

MANAGERIAL AUTONOMY AND RESOURCING

According to ISSAI 10, SAIs should have available, necessary and reasonable human, material and monetary resources. It stated further that the Executive should not control or direct the access to these resources and SAIs should manage their own budget and allocate it appropriately. Also it is the duty of the legislature to ensure that SAIs have the proper resources to fulfill their mandate. According to Gordon (2009), the importance of managerial autonomy and independent resourcing for preserving the independence of the Auditors General was first recognized in the legislation passed in the United Kingdom more than 25 years ago. He identified the key components of managerial autonomy and resourcing as: (i) Staffing autonomy or the independence from the executive control of the public service, (ii) Financial autonomy or the independence of the process for establishing the budget for the SAI, (iii) Drawing rights on appropriated resources by whom resources are appropriated and its independence from the Executive (iv) Office autonomy or the independence of the structure supporting the SAI from Executive Control. World Bank (2002) stated that supreme audit institutions require adequate funding, equipment and facilities. According to the Bank, to ensure high quality work, SAIs need well – qualified, adequately remunerated staffs who are encouraged to continuously improve, especially in their areas of expertise. It further noted that the number of authorized personnel should be determined independently of government control.

There is no provision in Nigeria for the SAI institution to have managerial and resourcing autonomy. The Budget of the Auditor General's Office is part of the normal budget carried out by the Executive. The staff of the office is under the civil service.

LOCAL GOVERNMENT AUDIT AND LOCAL GOVERNMENT AUTONOMY

As stated earlier, there are three tiers of government in Nigeria. The Auditor General of the Federation is responsible for the Audit of the Federal Government and its entities while each state has its own Auditor General. However, Local Government Councils do not have their own separate SAI. Rather, there is an Auditor General (Local Government) appointed by the State Government. Local Government Councils as elected representatives of the people, ought to be accountable only to the people that elected them. Different views have been expressed on the propriety of state audit of local government councils. The 1999 Constitution of the Federal Republic of Nigeria government outlined the functions of local government councils as a tier of government in the fourth schedule. There are differing opinions on the extent to which local government councils should be independent of the states or federal government. Nwabueze (1984) defines autonomy under a federal system to mean that each government enjoys a separate existence and independence from control of the other government. According to him, it is an autonomy which requires not just the legal and physical existence of an apparatus of government like a legislative assembly, governor, court etc, but that each government must exist not as an appendage of another government but as an autonomous entity in the sense of being able to exercise its own will in the conduct of its affairs. On his part, Davey (1991) opines that local autonomy is primarily concerned with the question of responsibilities, resources and discretion concerning the local authorities. According to him, local governments must possess the power to take decisions independent of external control within the limits laid down by the law. He sees local autonomy as the freedom of independence in clearly defined issues/ areas as well as separate legal identity from other levels of government. Adeyemi (2005) noted that the nature and structure of transactions or interactions between the three tiers of government determine the degree of autonomy. He concluded that the controversy surrounding the position of the local government in the 1999 constitution should without delay be resolved otherwise the autonomy and development efforts at the grass roots will be jeopardized.

Historically, state oversight of local government authorities has been hinged on the "tutelage principle". The tutelage principle sees local governments as Ministers that must necessarily be under the guidance and tutelage of the central government or state government. According to Mihkel (2007), some of the reasons advocated for the extension of National Audit office to local government serve two main objectives (i) To help strengthen external control over the lawful use of public sector resources; and (ii) To help reduce corruption risks and disclose cases of corruption. According to him, the arguments usually advanced for control through audit by state government include: (a) The local government authorities are often the first and closest point at which people come into contact with the public sector, and they have an impact on the people's trust in the state. Therefore strengthening control over local government is important with a view to enhancing the legitimacy of the authority of the state, (b) Local government autonomy need not mean absence of control, (c) The stronger the control of local governments, the better the local government representatives and leaders have managed these governments. On the other hand, opponents have argued against state control of local audits on the ground that a local government being local means that it determines its budget itself and also supervises its implementation. According to this view, it would be too far fetched to assign this supervision to the state appointed audit body. According to Adolfo (2007), after the second war, there has been a development in European systems towards a full recognition of local self government as an integral part of a system of multi –level governance and administration. This invariably means the abolition of the tutelage principle of relationship between central or state and local administration. According to him, in European countries with a tradition of 'tutelage', reforms since the 1980s have led to the abolition of tutelage mechanisms (including control and inspection bodies or corps) and their replacement by stronger and more developed internal and external control mechanisms, particularly in regards to economic and financial management. In Spain, a ruling of the constitutional court in 1981 declared as opposed to the constitutional principle of local autonomy all "generic or indeterminate" controls of or any other type of control that would place the local administrations "in a position of subordination or quasi-hierarchical dependence vis-à-vis the central administration" as well as control beyond legal compliance (Adolfo, 2007).

Various models have been advocated for the audit of local government councils. The first of such models is that audit should be organized under private auspices. In this case, professional auditors are procured on the market. The professional auditor would decide on the audit plan, direct the inspection work and sign the audit report and other statements of opinion. The second model is that audit is organized in local government associations. This model is based on local government collaboration through a special forum for local government associations. The idea is that the association would be headed by elected representatives but that decision on individual auditing issues should be the responsibility of professional auditors either employed or procured. The function of the local government association would be to arrange the procurement and appointment of the chief auditor.

METHODOLOGY

The research is a structured cross-sectional survey of one hundred (100) respondents in Edo State. The research is on external audit in local government councils in Nigeria: Effectiveness and Local Government autonomy, but due to resource constraints and the difficulty in accessing every respondent in Nigeria, the study was limited to Edo State. Selecting Edo State was considered appropriate because external audit of local government councils in Nigeria is based on the financial memoranda for local government councils. Consequently all the states in the federation adopt similar methods and processes for the audit of local government councils. The sample results are therefore likely to adequately represent the results from the population as a whole.

The respondents were drawn from five broad groups: Local Government External Auditors, State Government External Auditors, Local Government Internal Auditor, State Government Internal Auditor and Financial Analysts. The financial analysts were drawn from registered auditors and chartered accountants in Edo State using the 2006 membership yearbook of the Institute of Chartered Accountants of Nigeria. The local government external auditors and internal auditors were selected using the Edo State Local Government Service Commission 2004 Annual Report and the duty rosters of the local government councils while the state government external and internal auditors were selected using the Edo State Civil Service Commission 2008 Annual Report and various duty rosters.

The five point Linkert scale was used in the design of the questionnaire. The scale was constructed by assembling a number of statements about the topic. The respondents were asked to indicate whether they strongly agree, agree, undecided, disagree or strongly disagree with each of the series of statements.

The questionnaire consists of two parts. Part 1 contains questions on information about the respondents for the purpose of respondent's classification. Part II consists of 56 questions under seven (7) sections. Section A is on the issue of the constitutional framework of for Local Government External Audit and the independence of the Auditor General. It deals with the appointment, removal tenure of the auditor general for local government. It also deals with the scope of the audit. It consists of 13 questions. Section B deals with the managerial resources and autonomy in local government audit. The section consists of questions on the adequacy of financial and human resources deployed in the audit process. It examines the budget of the office of the auditor general and its independence. The adequacy and control over the human resources are also dealt with here. Section C is on the relationship between the external audit function and the various stakeholders like the legislature, the executive, the public including the mass media and the audited bodies. The section contains seven (7) questions. Section D consists of six (6) questions on audit methodology. This includes audit manual, audit approach, compliance with national and international audit standards and the training of the staff on the audit methodology. Section E consists of six (6) questions on monitoring and follow-up, mechanism. It deals with issues of audit timeliness, results achieved, report and follow up on cases of fraud and irregularities. Section F is on the implication of the existing system of local government audit for local government's autonomy. It consists of four (4) questions. The last section which is on suggestions for improvement consists of twelve (12) questions on ways to improve on the effectiveness of local government audit and autonomy.

In order to clear some grey areas from the questionnaire administration, personal interviews were conducted for 20 respondents.

Descriptive statistics like the percentage analysis, mean standard deviation and actual response analysis were used in analysis. Inferential statistics were not used as no hypothesis were tested since the research is generally explorative in nature.

RESULTS

During the data gathering exercise, 100 questionnaires were administered to the five groups. Out of this, 80 questionnaires were retrieved and certified fit for analysis. Table 1 shows the respondents analysis based on gender. From the table, 51 respondents representing 63.75% were males while 29 number or 36.25% were females. Table 2 shows the analysis of the respondents based on age from the table 5 respondents representing 6.25% are under 5 years of age while 11 respondents representing 13.75% are between 25 and 30 years of age while 19 respondents or 23.75% are between the ages of 36 and 40 years. 17 respondents or 21.25% are between 41 and 45 years while 10 (12.5%) are between the ages of 46 and 50 years while the remaining 6 respondents representing 7.5% of the total respondents are above 50 years of age.

Table 3 shows the analysis of the respondent's base on education. From the table, 14 respondents or 17.5% have the OND/NCE while 45 respondents or 56.25% have a Bachelors degree. 18 respondents or 22.5% have a master's degree while three (3) respondents or 3.75% have a Ph.D. Table 4 analyzed the respondents according to study discipline. From the table 7 respondents or 8.75% read economics while 35 respondents or 43.75% read science and Engineering. 11 respondents or 13.75% read other various courses. Table 5 analyzes the respondents according to the group they belong to from the table 28 respondents or 35% are local government external auditors while 11 respondents or 13.75% are Edo State government external auditors. 15 respondents or 18.76% are local government internal auditors while 9 respondents or 11.25% are state government internal auditors. 17 respondents or 21.25% come from the financial Analysts group.

Table 6 shows the analysis of the responses from the respondents to the questions contained in the questionnaire. The results are considered according to the various sections.

CONSTITUTIONAL/LEGAL FRAMEWORK AND AUDITOR INDEPENDENCE

17, 30, 9, 17 and 7 or 21.2%, 37.5%, 12.2%, 21.2% and 8.8% respectively strongly agreed, agree, are undecided, disagreed and strongly disagreed respectively with the statement that the process of removal of the Auditor General for Local Government guarantee his independence. This gives a mean response of 3.41 with a standard deviation of 1.280, almost the same level of support is given to the statement in question 2 that the appointment of the Auditor General for Local Government by the State Government subject to approval by the state House of Assembly guarantee his independence. The support was given with a mean response of 3.23 and a standard deviation of 1.331. 19 (23.8%), 25 (31.2%), 8 (10.0%), 18 (22.5%) and 10 (12.5%) strongly agreed, agreed, are undecided, disagreed and strongly disagreed respectively with the statement that the independence of the auditor general for local government will be enhanced if he is appointed by the House of Assembly on the recommendation of the state Civil Service Commission. Also the respondents supported the statement in question 4 that the Auditor General if appointed by the legislature should be removable by them through a parliamentary vote with a mean response of 3.41 and a standard deviation of 1.24. The following statements in question 5, 6 and 7 were supported with means of 3.57, 3.29 and 3.49 respectively. (i) That any process for the appointment and removal of the Auditor General for Local Government should ensure their independence from the state government (ii) The process for the appointment of the Auditor General for local government is subject to political manipulation. (iii) The Auditor General for local government is adequately protected in reality from arbitrary removal from office. 22 (27.5%), 39 (48.8%), 6 (7.5%), 9 (11.2%) and 3 (20%) of respondents strongly agreed, are undecided, disagreed and strongly disagreed respectively with the statement that to enable him sufficient time to plan and implement their audit strategies, the Auditor General should be given an adequate tenure. The same level of support given to the statement in question. A mean of 3.94 and a standard deviation of 1.035) was given to the statement in question 9 that the present system where by the Auditor General could be appointed at any age before sixty (60) years and must retire at sixty (60) years does not augur well for an effective supreme audit institution. Question 10 states that the Auditor General for Local Government should be appointed for a single non-renewable term so that there is not potential for compromising independence in relation to the removal or extension of his appointment. This statement was supported with a mean response of 3.14 and a standard deviation of 1.25. The statement in question 11 is also supported with a mean responses of 3.56 and standard deviation of 1.077. There is very low support for the statement in question 12 that the Auditor General for Local Government is empowered to carry out performance or value for money audit at his own discretion. The mean responses was 2.57 with a standard deviation of 0.854. No respondent strongly agreed with the statement 15 (18.8%), 20 (25.0%), 41 (51.2%) and 4 (5.0%) agreed, are undecided, disagreed and strongly disagreed respectively. However, there was a fairly high support (a mean of 3.57 with a standard deviation of 1.134) for the statement in question 13 that the Auditor General is in reality able to carry out financial audit of all local governments councils accounts.

MANAGERIAL RESOURCES AND AUTONOMY

21 (26.5%), 17 (21.2%), 15 (18.8%), 17 (21.2%), and 10 (12.5%) strongly agreed, agree and undecided, disagreed and strongly disagreed respectively that the present process of budget preparation whereby the budget of the office of the Auditor General is subject to annual appropriation by the budget department which is under the control of the Executive is a compromise or the Auditors General independence. This is a mean response of 3.28 and a standard deviation of 1.387. Questions 15, 16 and 17 are also supported with means and (standard deviations) of 3.21 (1.219), 3.44 (1.157) and 3.16 (1.152), respectively. The statements is thus this supported are a much higher level of independence from the executive will be demonstrated if the budget of the Auditor General's office

is part of the legislatures' Appropriation, (ii) The Auditors General for Local Government does not have the power to report to the legislature on the adequacy of allocated resources and (iii) the Auditor General is not responsible for managing its own staffing needs and rely on the establishment division for staff 13 (16.2%) 21 (26.2%), 19 (22.5%), (18.8%) and 13 (16.2%) respondents strongly agreed, agreed, are undecided disagreed and strongly disagreed with question 19 that the staff of the office of the Auditor General are not adequately remunerated and motivated. Question 19 states that the knowledge, skills and competencies required for all jobs within the office of the Auditor General are well specified on a written document. There is a very high support for this statement with a mean of 4.0 and a standard deviation of 0.941. On the other hand there is a very low support for question 20 which says that the office of the Auditor General has a well structured training program for its professional and support staff. 1(1.2%), 5(6.2%), 8 (10.0%), 56(70.0%) and 10 (12.5%) respondents strongly agreed, agreed, are undecided, disagreed and strongly disagreed respectively. This is a mean response of 2.14 with a standard deviation of 0.759.

Questions 21 and 22 are supported with mean responses of 3.10 and 2.96 with standard deviation of 1.365 and 1.382 respectively. These statements are respectively (i) The financial resources usually made available to the office of the Auditor General are not usually equal to those approved in the budget, and (ii) The staff of the office of the Auditor General have access to IT equipment appropriate to their needs.

REPORTING RELATIONSHIPS

20 (25.0%), 23 (28.8%), 8 (10.0%), 20(25.0%) and 9 (11.2%) respondents strongly agreed, agreed, undecided, disagreed and strongly disagreed.

Question 23 that the Auditor General for Local Government report to the state legislature on his own initiative as well as to meet statutory or constitutional requirements. These were also affirmative support for the remaining issues under the section. The mean responses and (standard deviation) for the questions were respectively 3.12 (1.462) for question 24, 3.57 (1.78) for question 25, 3.79 (1.076) for question 26, 3.22 (1.467) for question 27, 3.37 (1.178) for question 28; and 3.21(1.229) for question 29. The respective questions are (1) Question 28. The Auditor General's published reports are publicity available; (ii) Question 25. The office of the Auditor General for Local Government publishes its Corporate plans and annual reports regularly; (iii) Question 26. The Accounts of the office of the Auditor General are not independently audited; (iv) Question 27 – The office of the Auditor General has appropriate Internal Control including internal audit (v) Question 28. The office of the Auditor General does not seek open feedback from audited bodies and external stakeholder and (vi) Question 29. There are not adequate provisions in place to protect "whistle blowers" in audited entities.

AUDIT METHODOLOGY

19 (23.8%), 21 (26.2%), 13 (16.2%), 19 (23.8%) and 8(10.0%) respondents strongly agreed, agreed, are undecided, disagreed and strongly disagreed, respectively with the statement in question 30 that the office of the Auditor General has a comprehensive written Audit Manual and or Technical Guidance. The respondents also supported Question 31 that the staff is trained regularly on the audit approach, with a mean of 3.30 and a standard deviation of 1.335. However, questions 32, 33, and 34 received low support with means and (standard deviations) of 2.82 (1.281), 2.13 (0.946), and 2.29 (0.996) respectively. The respective questions are (Q 32. The audit methods and processes comply with the National Auditing Standards (ii) Question 33. The Audit methods and process comply with the international standards on auditing (ISAs), and (iii) Question 34 – The audit methods and processes comply with the Audit Standards of the International Organization of supreme Audit Institutions (INTOSAI). The last question in this section is question 35 which says that the office of the Auditor General assess the quality of Internal Auditors and rely extensively on their issue. This was supported with a mean of 3.29 and a standard deviation of 1.182.

MONITORING AND FOLLOW-UP MECHANISM

There was a fairly low support for question 36 which says that the office of the Auditor General has been meeting the statutory deadlines for completing audits. The mean of responses was 2.72 with as standard deviation of 1.283. The same mean response of 2.72 but with a standard deviation of 1.405 was recorded for question 37 which says that the office of the Auditor General reports on the results it has achieved periodically and the value of savings. The mean and (standard deviations) of the remaining questions in the section are 3.29 (1.314), 2.68 (1.376), 2.61 (1.410) and 3.30 (1.335) for questions 38, 39, 40 and 41 respectively. The respective questions are, (i) Question 38 – There are not mechanism for follow up on audit findings; (ii) Question 39- The office of the Auditor General has through its audit work, facilitated the elimination of fraud in Local Government Council (iii) Question 40. The office of the Auditor General has through its audit work contributed to the attainment of value for money in the Local Government Councils (iv) Question 41 – The Auditor General cannot report cases of Fraud directly to law enforcement agencies. He relies on the state House of Assembly to sanction offenders.

LOCAL GOVERNMENT AUTONOMY

7 (8.8%), 21 (26.2%), 17 (21.2%), 24 (30%) and 11 (13.8%) respondents strongly agreed, agreed, are undecided, disagreed and strongly disagreed respectively with question 42, that Local Government with elected representatives should have the right to independently and finally resolve all local issues including the use of resources. This gives a mean response of 2.86 and a standard deviation of 1.206. The means and (standard deviation) of the remaining questions on this section (Question 43, 44 and 45) are 3.07 (1.123), 3.26 91.421) and 2.85 91.351), respectively. The respective questions are Question: 43- The office of the Auditor General for Local Government which is under the control of the state Government is a big detraction from the autonomy of Local Government Council (iii) Question 41 A government being local means it determine its budget itself and also supervises its implementation. It is therefore too far fetched to assign the audit of local government councils to the state and (iii) Question 45. The current system of local government audit is not consistent with the principle of local government autonomy.

SUGGESTIONS FOR IMPROVEMENT

The mean responses and (standard deviation) for questions 46, 47 and 48 are respectively 3.29 (1.352), 3.39 (1.373) and 2.72 (1.441). The respective questions are Question 46 each local government should have its own audit institution (ii) Question 47. the state should continue to appoint an Audit Institution for the Local Government Councils and (iii) Question 46 – The Audit Institution for the Local Government Councils should be appointed by a Local Government association, formed by all the Local Government Councils in Nigeria. Question 49, 50 and 51 are on the form the office of the Auditor General should take. Question 49 says that it should take the form of a monocratic institution headed by a simple Auditor General while Question 50 says it should take the form of a court of Auditor endowed with Quasi – judicial power in administrative power. Question 51 says it should be a board of auditors with collegiate decision making similar to that found in tribunals. The mean and standard deviation for the respective questions were 2.79 (1.319), 3.29 (1.234) and 3.36 (1.183) respectively. 13 (16.2%), 28 (35.0%), 15 (18.8%), 15 (18.8%) and 9 (11.2%) respondents strongly agreed, agreed, are undecided, disagreed and strongly disagreed with question 52 that the head of the office of the Auditor General for local government should be an officer of the legislature. Questions 53, 54, 55 and 56 are respectively supported by mean responses with (standard deviations) of 3.09 (1.275), 3.39 (1.326), 3.55 (1.262) and 3.30 (1.335) respectively. The respective questions are (i) Question 53- The Auditor General for Local Government should have a fixed, non- renewable term of office, (ii) Question 54 – To ensure the accountability of the Auditor General an independent external auditor should be appointed to audit his office, (iii) Question 55 – An independent Audit Commission should establish the remuneration of the Auditor General for Local Government and his members of Staff; and (iv) Question 56 -In general the office of the Auditor General for Local Government should not be an extension of the Civil Service. Rather, it should be restructured under a separate act like the judiciary

DISCUSSION OF RESULTS

In this section, we examine the implication of the results as they relate to the issues raised on external audit in local government councils in Nigeria. In this discussion, responses with means over 3.0 are regarded as affirmative support while those between 2.51 and 3.0 are regarded as low support. Responses with means below 2.50 are regarded as negative support. The results have shown that the respondents believe that the process for the appointment and removal of the Auditor General for Local Government guarantee his independence and that he is protected in reality from arbitrary removal from office. They however, also believe that his independence will be further strengthened if his appointment and removal are done by the legislature rather than the Executive. The respondents also believe that the Auditor General has access to all the records and documents he needs to carry out his assignment. The respondents would want a situation where an Auditor General for Local Government is appointed for a fixed, non renewable period. The present system can produce an incumbent who is appointed at 40 years of age and stay in office for the next twenty years. On the other hand, we can have an Auditor General who spent six months or

less in office. The respondents believe that the Auditor General is able to carry out financial audit of all local government councils Accounts. However, there is low support for the position that he is able to carry out value for money audit at his own discretion.

The next issue examined, was managerial resources and autonomy. The result shows that the present system of budgeting for the office of the Auditor General is not ideal. A better system would be one that would consider the budget of the office as part of the legislature's appropriation. Also the results indicated that the Auditor General depends on the Establishment Division for staff and cannot directly recruit and determine the emoluments of staff. The net implication of the foregoing is that there are inadequate financial and human resources deployment by the Auditor General.

On reporting relationships, the results indicated that the Auditor General reports to the legislature directly on his own initiative as well as to meet statutory requirement. The results also show that the Auditor General published reports are publicly available. What this means is that a copy of the report can be obtained from the office of the Auditor General for Local Government. However, the Accounts of the office of the Auditor General for Local Government are not independently audited. Also, the results indicated that there are no adequate provisions in place to protect "whistle blower" in audited entities. The implication of this is that staff of audited entities may not fully cooperate with the Auditor General for fear of reprisal.

On audit methodology, the respondents believe that the office of the Auditor General has a comprehensive Audit manual or technical guidance. They however, do not believe that the audit methods and processes comply with the international standards on Auditing (ISA) and the Audit Standards of INTOSAI. The results further indicated that the Auditor General regularly assess the quality of Internal Audit and rely extensively on their work.

There is low support for the position that the office of the Auditor General has been meeting the statutory deadlines for completing audits. Further explanation was sought for this position through oral interview. The statutory position is that the Auditor General completes the audit within 90 days of the receipt of the financial statements. If the financial statements are not received the Auditor General cannot do his work. Also after submitting his reports, there are no adequate mechanisms for follow-up on the recommendations by the Auditor General. He cannot report cases of fraud and irregularity directly to law enforcement agencies and has to rely on the legislature to do so. This is particularly so when elected representatives are involved. As noted in the literature, lack of adequate follow-up of audit findings is a principal cause of ineffectiveness in government audit.

One critical area in the study is the implication of the extant local government audit system for the autonomy of local government councils. There is support for the fact that local government councils as self governing communities with elected representatives should have the right to independently and finally resolve all local government issues including the use of resources. The respondents also believe that the office of the Auditor General for Local Government is a big detraction from the autonomy of the Local Government Council. The respondents further believe that being local means that a local government determine its budget itself and also supervises its implementation and that it is therefore too far fetched to assign the audit of local government councils to the state government. Finally on autonomy, the results show that the current system of Local Government Audit is inconsistent with the principle of local government autonomy.

The results show that there is a support for the three alternative systems of local government audit, namely (i) Each local government councils should have its own audit institution (ii) The state should continue to appoint an audit institution for the local government, (iii) A National Local Government Association should appoint a supreme audit institution for all the local government councils. However, the current system whereby the state government appoint the supreme audit institution for local government council received the greatest support. At a first glance, this should be surprising as the respondents have already indicated that the system is inconsistent with the principle of local government autonomy. But on a closer examination, it could be interpreted to mean a support for the tutelage principle which sees local government as immature self governing entities that require some form of state superintendence. While the ideal of a complete local government autonomy will be the ultimate constitutional democracy in Nigeria, the reality on the ground is that local government councils in Nigeria have not attained the governance "weight" that will see them effectively and efficiency be self regulatory. On the form the current office of the Auditor General should take, there is support for the three alternative systems (a) A monocratic institution headed by a single Auditor General; (b) a Court of Auditor b endowed with quasi – judicial powers in administrative matters, and (c) A board (college) of Auditors with Collegiate decision making similar to that found in tribunals. However, the greatest support is for a Board of Auditor with collegiate decision making.

The results also support a situation whereby the office of the Auditor General will be an office of parliament with a fixed non-renewable tenure. It is also recognized that the Auditor General who audit others should himself be subject to audit. In this connection, there is a support for an independent external auditor to audit the office of the Auditor General. Also it is suggested that the supreme audit institution should be removed from the Civil service and constituted under a separate Act, with an independent Audit Commission that would determine the working conditions of the Auditor General and the staff of the office.

SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

The study was carried out to examine the effectiveness of the system of external audit of local government councils in Nigeria and the implication of the system for local government autonomy. The analysis of effectiveness was based on the principles of effectiveness of supreme audit institutions enunciated by INSTOSAI. The study has revealed the following among others (i)The legal provision for the appointment and removal of the Auditor general for local government are adequate to guarantee his independence. However, this position would be enhanced if the Auditor General for local government is made an officer of parliament (ii) The present system whereby the Auditor General mandatorily retires at 60 (years) and could be appointed into office at any age before 60 years may not enable him sufficient time to plan and implement audit strategies. (iii)The Auditor General is not in reality empowered to carry out performance or value for money audit.(iv)The process for appointing the Auditor General is subject to political manipulation.(v)Because of (ii), (iii) and (iv) above, the constitution/legal provisions do not guarantee an effective audit, (vi)The present method of budgeting for the office of the Auditor General is a compromise on his independence and effectiveness;(vii) The office of the Auditor General rely on the establishment for staffing needs;(viii)The financial resources usually made available to the office of the Auditor General are lower to those approved in the budget (ix)The office of the Auditor General has no well structured training program for its staff, (x)Because of (vii), (viii), and (ix) the office of the Auditor General has no adequate managerial resources and audit for an effective work, (xi)The office of the Auditor General is not independently audited.(xii)The office of the Auditor General has appropriate internal control in place; (xiii)The office of the Auditor General does not periodically seek open feed back from audited bodies and external stakeholders (xiv)The Auditor General's published report are publicly available; (xv)There are no adequate provisions in place to protect "whistle blowers" (xvi)There is a comprehensive, written audit manual and staff trained regularly on the audit approach;(xvii)The audit methods and processes do not comply with ISA and INTOSAI guidelines,(xviii)Because of (xvii) the audit methodology does not guarantee an effective audit; (xvix)There are no formal mechanism for follow up on audit findings(xx)The Auditor General cannot report directly to law enforcement agencies but rather he goes through the legislature;(xxi)These are no adequate mechanisms to guarantee audit effectiveness;(xxii)The current system of local government is inconsistent with the principle of local government autonomy,

The issue of effectiveness of local government audit will continue to be controversial though not much empirical research work has been done in the area. The study has concluded that current system of local government audit is not effective generally and that the system is inconsistent with the principle of local government autonomy. The study will be relevant to the parliament as it will guide them on their duty of ensuring that resources entrusted to public officers are utilized for proper purposes. It will also be very useful to the law makers in helping to shape the constitution/ legal framework for local government audit in Nigeria. The supreme audit institution for local government councils will also find the study useful as it has pointed out areas where attention should be focused in order to have an effective audit. The study will also be useful to academician/researchers as the study has open up area for further study and academic discourse.

Based on the findings and recommendations, the following recommendations are made (i)The states should continue to appoint supreme audit institutions for local government councils until such a time when the councils have come of age;(ii)The SAI for local governments should take the form of a Board of Auditors with collegiate decision making;(iii)The SAI should be part of the legislature and distinct from the civil service(iv) Member of the SAI should be appointed by the legislature, (v)Member of the SAI should have fixed non- renewal and adequate tenure, (vi) The budget of the SAI should be part of parliament's appropriation (vii)The SAI should be responsible for managing its own staffing needs;(viii) The accounts of the SAI should be independently audited by an external body;(ix)The

SAI should periodically seek feedback from audited bodies and other stakeholders;(x)There should be safeguards to protect potential “whistle blowers” in audited entities;(xi)The audit methods and processes should be upgraded to meet ISAs and INTOSAI standards;(xii)The SAI should report periodically on the results it has achieved and the value of savings;(xiii) There should be an arrangement whereby the SAI cannot report cases of fraud and irregularities directly to law enforcement agencies.

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TABLES

TABLE 1: GENDER OF RESPONDENTS

Respondent	No. of Respondents	Percentage
Male	51	63.75
Female	29	36.25
Total	80	100.00

TABLE 2: AGE OF RESPONDENTS

Age	No of Respondents	Percentage
0 - 25	5	6.25
25 – 30	11	13.75
31 - 35	12	15.00
36 -40	19	23.75
41 - 45	17	21.25
46 - 50	10	12.50
51 and above	6	7.5
Total	80	100.00

TABLE 3: EDUCATIONAL QUALIFICATIONS OF RESPONDENTS

Qualification	No. of Respondents	Percentage
OND/NCE	14	17.50
Bachelors Degree	45	56.25
Masters Degree	18	22.50
PhD	3	3.75
	80	100.00

TABLE 4: ACADEMIC DISCIPLINE OF RESPONDENTS

Discipline	No. of Respondents	Percentage
Economics	7	8.75
Accounting and Finance	35	43.75
Administration	20	25.00
Science and Engineering	7	8.75
Others	11	13.75
Total	80	100.00

TABLE 5: CATEGORY OF RESPONDENTS

Category	No of Respondents	Percentage
Local Government External Auditor	28	35.00
State Government External Auditor	11	13.75
Local Government Internal Auditor	15	18.75
State Government Internal Auditor	9	11.25
Financial Analysts	17	21.25
Total	80	100.00

TABLE 6: DESCRIPTIVE STATISTICS

SN	QUESTION	SA	A	NS	D	SD	Mean	Std. Dev.
SECTION A: CONSTITUTIONAL/LEGAL FRAMEWORK AND AUDITOR INDEPENDENCE								
1.	The process for the removal of the Auditor General for Local Government guarantees his independence	17 21.2	30 37.5	9 11.2	17 21.2	7 8.8	3.41	1.280
2.	The appointment of the Auditor General for local government by the state Governor subject to approval by the State House of Assembly guarantee the Auditor General's independence	12 15.0	33 41.2	8 10.0	15 18.8	12 15.0	3.23	1.331
3.	The independence of the Auditor General for local government will be enhanced if he is appointed by the House of Assembly on the recommendation of the State Civil Service Commission	19 23.8	25 31.2	8 10.0	18 22.5	10 12.5	3.31	1.383
4.	If the Auditor General is appointed by the Legislature, his removal from office should also be done by them through a parliamentary vote	29 36.2	16 20.0	6 7.5	17 21.2	12 15.0	3.41	1.524
5.	At any rate, any process for the appointment and removal of the Auditor General should ensure their independence from the State Governor	21 26.2	23 28.8	23 28.8	7 8.8	6 7.5	3.57	1.188
6.	The process for appointing the Auditor General for local government in Nigeria is subject to political manipulation	20 25.0	22 27.5	10 12.5	17 21.2	11 13.8	3.29	1.407
7.	The Auditor General local for government is adequately protected in reality from arbitrary removal from office	13 16.2	31 38.8	23 28.8	8 10.0	5 6.2	3.49	1.079
8.	To enable him sufficient time to plan and implement his audit strategies, the Auditor General should be given an adequate tenure	22 27.5	39 48.8	6 7.5	9 11.2	4 5.0	3.83	1.111
9.	The present system whereby the Auditor General could be appointed at any age before sixty (60) years and must retire at sixty (60) years does not augur well for an effective supreme audit institution	25 31.2	38 47.5	6 7.5	9 11.2	2 2.5	3.94	1.035
10.	The Auditor General for Local Government should be appointed for a single non, renewable term, so that there is not potential for compromising independence in relation to the renewal or extension of an appointment	10 12.5	27 33.8	18 22.5	14 17.5	11 13.8	3.14	1.250
11.	The Auditor General for Local Government has access to all the records and documents it needs, in respective of the format in which they are held	17 21.2	27 33.8	23 28.8	10 12.5	3 3.8	3.56	1.077
12.	The Auditor General is empowered to carryout performance or value for money audit at his own discretion	0 0	15 18.8	20 25.0	41 51.0	4 5.0	2.57	.854
13.	The Auditor General is in reality able to carry out financial audit of all local government accounts	18 22.5	29 36.2	18 22.5	11 13.8	4 5.0	3.57	1.134
SECTION B: MANAGERIAL RESOURCES AND AUTONOMY								
14.	The present practice whereby the budget of the office of the Auditor General is subject to annual appropriation by the Department of Budget is a compromise on the Auditor's independence	21 26.5	17 21.2	15 18.8	17 21.2	10 12.5	3.28	1.387
15.	A much higher level of independence from the executive will be demonstrated if the budget of the Auditor General's office is part of the legislative appropriation	11 13.8	27 33.8	19 23.8	14 17.5	9 11.2	3.21	1.219
16.	The Auditor General does not have the power to report to the legislative on the adequacy of allocated resources	14 17.5	29 36.2	22 27.5	8 10.0	7 8.8	3.44	1.157
17.	The Office of the Auditor is responsible for managing its own staffing needs and does not rely on the Establishment Division for staff	8 10.0	28 35.0	21 26.2	15 18.8	8 10.0	3.16	1.152
18.	Staff of the Office of the Auditor General are adequately remunerated and motivated.	13 16.2	21 26.2	18 22.5	15 18.8	13 16.2	3.07	1.329
19.	The knowledge, skills and competencies required for all jobs within the Office of Auditor General are well specified in a written document.	24 30.0	41 51.2	8 10.0	5 6.2	2 2.5	4.00	.941
20.	The Office of Auditor General has a well structured training program for its professional and support staff.	1 1.2	5 6.2	8 10.0	56 70.0	10 12.5	2.14	.759
21.	The financial resources usually made available to the Office of Auditor General are not equal to those approved in the budget.	16 20.0	17 21.2	19 23.8	15 18.8	13 16.2	3.10	1.365
22.	The staff of the Office of Auditor General have access to IT equipment appropriate to their needs.	13 16.2	22 27.5	7 8.8	25 31.2	13 16.2	2.96	1.382
SECTION C: REPORTING RELATIONSHIPS								
23.	The Auditor General for Local Government report directly to the legislature on his own initiative as well as to meet statutory or constitutional deadline	20 25.0	23 28.8	8 10.0	20 25.0	9 11.2	3.31	1.383
24.	The Auditor General's published reports are publicly available.	17 21.2	22 27.5	12 15.0	12 15.0	17 21.2	3.12	1.462
25.	The Office of the Auditor General publishes its corporate plans and annual reports regularly	19 23.8	30 37.5	13 16.5	14 17.5	4 5.0	3.57	1.178
26.	The Accounts of the Office of the Auditor General are independently audited and are made available to the general public	18 22.5	43 53.8	8 10.0	6 7.5	5 6.2	3.79	1.076
27.	The Office of the Auditor General has appropriate internal controls in place including internal audit	19 23.8	23 28.8	11 13.8	11 13.8	16 20.0	3.22	1.467

28.	The Office of the Auditor General periodically seeks open feedback from audited bodies and external stakeholders	19 23.8	30 37.8	13 16.2	14 17.5	4 5.0	3.57	1.178
29	There are adequate provisions in place to protect "whistle blowers" in the audited entities	14 17.5	20 25.0	23 28.8	5 18.8	8 10.0	3.21	1.229
SECTION D:AUDIT METHODOLOGY								
30	The Office of Auditor General has a comprehensive, written Audit Manual and or technical Guidance.	21 26.2	26 32.5	17 21.2	8 10.0	8 10.0	3.55	1.262
31.	The staff are trained regularly on the audit approach.	19 23.8	21 26.2	13 16.2	19 23.8	8 10.0	3.30	1.335
32.	The audit methods and processes comply with the National Auditing standards.	11 13.8	14 17.5	17 21.2	26 32.5	12 15.0	2.82	1.281
33	The audit methods and processes comply with the International Standards on Auditing (ISAs).	0 0.0	12 15.0	5 6.2	44 55.0	19 23.8	2.13	.946
34	The audit methods and processes comply with the Audit standards of the International Organization of Supreme Audit Institutions (INTOSAI).	4 5.0	10 12.5	0 0.0	57 71.2	9 11.2	2.29	.996
35.	The Office of Auditor General assess the quality of Internal Auditors and rely extensively on their work.	15 18.8	20 25.0	23 28.8	17 21.2	5 6.2	3.29	1.182
SECTION E:MONITORING AND FOLLOW UP MECHANISM								
36.	The Office of the Auditor General has been meeting the statutory deadlines for completing audits.	8 10.0	19 23.8	10 12.5	29 36.2	14 17.5	2.72	1.283
37.	The Office of Auditor General reports on the results it has achieved periodically and the of value of savings.	15 18.8	14 17.5	14 17.5	38 47.5	13 16.2	2.72	1.405
38.	There are formal mechanisms for follow up on audit findings.	15 18.8	12 15.0	15 18.8	27 33.8	15 18.8	3.29	1.314
39	The Office of the Auditor General has through its audit work facilitated the elimination of fraud in the Local Government councils.	12 15.0	13 16.2	9 11.2	29 36.2	17 21.2	2.68	1.376
40	The Office of Auditor General has through its work contributed to the attainment of value for money in the Local Government Councils.	8 10.0	23 28.8	1 1.2	26 32.5	22 27.5	2.61	1.410
41	The Auditor General cannot report cases of fraud directly to law enforcement agencies. He rely on the State House of Assembly to sanction offenders	19 23.8	21 26.2	13 16.2	19 23.8	8 10.0	3.30	1.335
SECTION F:LOCAL GOVERNMENT AUTONOMY								
42	Local Government councils as self governing communities with elected representative should have the right to independently and finally resolve all local issues including the use of resources.	7 8.8	21 26.2	17 21.2	24 30.0	11 13.8	2.86	1.209
43.	The Office of Auditor General for Local Government which is under the control of the state government is a detraction from the autonomy of Local Government Councils.	7 8.8	24 30.0	25 31.2	16 20.0	8 10.0	3.07	1.123
44	A government being local means it determine its budget itself and also supervises its implementation. It is therefore far fetched to assign the audit of local government to the state government	22 27.5	18 22.5	8 10.0	23 28.8	9 11.2	3.26	1.421
45	The current system of Local Government audit is not consistent with the principle of local government autonomy.	10 12.5	19 23.8	18 22.5	15 18.8	18 22.5	2.85	1.351
SECTION G:SUGGESTIONS FOR IMPROVEMENT								
46.	Each Local Government should have its own audit institution	19 23.8	22 27.5	10 12.5	21 26.2	8 10.0	3.29	1.352
47.	The state should continue to appoint an Audit Institution for the Local Government Councils	21 26.2	21 26.2	18 22.5	8 10.0	12 15.0	3.39	1.373
48.	The Audit Institution for the Local Government Councils should be appointed by a Local Government Association.	13 16.2	15 18.8	9 11.2	23 28.8	20 25.0	2.72	1.441
<u>The Office of Auditor General should take the following form (49– 51)</u>								
49	A Monocratic institution headed by a single Auditor General	10 12.5	18 22.5	11 13.8	27 33.8	14 17.5	2.79	1.319
50	A Board of Auditors with collegiate decision making similar to that found in tribunals.	13 16.2	28 35.0	16 20.0	15 18.8	8 10.0	3.29	1.234
51.	A court of Auditor endowed with quasi-judicial power in administrative matters.	12 15.0	33 41.2	13 16.2	16 20.0	6 7.5	3.36	1.183
52	The head of the Office of Auditor General should be an officer of the legislative. This means that the legislature should have power for his appointed and removal.	13 16.2	28 35.0	15 18.8	15 18.8	9 11.2	3.26	1.260
53.	The Office of Auditor General should have a fixed, non – renewable tenure of office.	9 11.2	29 36.2	14 17.5	16 20.0	12 15.0	3.09	1.275
54	To ensure the accountability of the Office of Auditor General, an independent external auditor should be appointed to audit the Office of Auditor General	15 18.8	36 45.0	4 5.0	15 18.8	10 12.5	3.39	1.326
55	The Revenue Mobilization and Fiscal Commission or an Independent Audit Commission should fix the remuneration of the Auditor General and the staff of his office.	21 16.2	26 32.5	17 21.2	8 10.0	8 10.0	3.55	1.262
56	In general, the office of the Auditor General should be an extension of the civil service. Rather it should be restructured under a separate act like the Judiciary	19 23.8	21 26.2	13 16.2	19 23.8	8 10.0	3.30	1.335

RETAILING AND CONSUMER BEHAVIOUR LINKAGES TO BRANDING OF WOMEN APPAREL

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ABSTRACT

There are many inconspicuous tailoring units in Chennai which supply women apparel to top retailers in the city as well as other places in India. After a point they notice a number of women wearing their clothes bought from retailers. They can neither take credit for it, nor rake up profits like the retailers. The desire of this group of entrepreneurs, who now wish to connect directly with the customers, forms the back ground of this study. The study develops and empirically tests the dimensions of branding and retailing of Women Apparel. These dimensions were thought to affect retailing and consumer behavior of women shoppers, which in turn affected the final brand choice made by the women shoppers. The effect that four demographic features of Women shoppers on branding and retailing of women apparel was also examined. The shopping centre intercept survey was conducted to collect respondent data. A total of 282 women shoppers were contacted and 100 valid responses were received. The data collected was subjected to statistical analysis. The results showed that brand recall of a woman apparel brand depended on the hand feel, texture, performance of the fabric and design. Discussions at work place and during parties, recommendations from friends and relatives influenced brand choice. Advertisements induce women shoppers to try out new styles of apparel. Women are now open to shopping at fashion stores for apparel brands and women have become more discerning and educated compared to a few years ago.

KEYWORDS

Branding, Consumer Behaviour, Retailing, Women Apparel, Women Shoppers.

INTRODUCTION

One has to understand the Semiotics of fashion and the rigours of retail before beginning the fascinating journey of creating a brand and establishing brand values that connect with customers, in the women apparel business. It is completely different from manufacturing and any first-generation entrepreneur has to straddle the boom-bust-boom world of apparel business with the sangfroid of a veteran. Today when you walk into any multi-brand store, you see dozens of brands that have met minimum standards in terms of fabric, cut and stitch. When there is so much similarity, how do you kindle interest in customers for a particular brand? It has to be something more than a product attribute that hooks a customer—the sheer energy with which it is put together and sold and the way it communicates with the customer. Creating that magic is a huge challenge. Sadly, that magic disappears very soon. So you have to constantly innovate. Whoever creates a footprint of desirability, they are sure to succeed. With the right fabric tweaks and fashion updates, there is a lot of potential in this segment. This work considers women shopper choice as an outcome of different dimensions thought to affect branding of women apparel. It also tries to analyse the effect of four demographic features of women shoppers viz; Age, Educational Qualification, Financial independence and Family income per month on branding and retailing of women apparel.

REVIEW OF LITERATURE

Though fabrics and pricing are pluses that set the brands apart in a cluttered women apparel market, the greatest strength of apparel brand is research and design. Research and design is how everything from yarn development to visualization of the end product happens. Today a product is driven by technology and trends. So the onus is on the research and design teams. Price premia being a proxy for elasticity of demand, this in turn, is a measure of brand's perceived quality. Price premium reflects the brand's ability to command a price higher than its competitors. The price premium construct is consequently important for all types of brands, despite their actual positioning within a category (Chattopadhyay, Shivani and Krishnan, 2008). Prestige brands have a high status symbol because of higher pricing. Volume brands are usually priced near the market average and have relatively high market shares. Finally, economy brands are sold in the low-end segment of the market. These brands are more affordable and hence have the highest share amongst women apparel. From the literature, the author did not find any relationship between price and brand awareness. Distribution is defined as intensive when products are available in a large number of stores in the market. It has been argued that certain types of distribution fit certain types of products. Consumers are expected to be more satisfied, when a product is available in a greater number of stores. Intensive distribution reduces the time the consumers spend searching for the stores and traveling to and from the stores, provides convenience in purchase, and makes it easier to avail services of the product bought. The increased value results mostly from the reduction of sacrifices the consumers must make to acquire the product (Yoo, Donthu and Lee, 2000). Accordingly increased distribution is likely to develop a positive perceived quality of the consumer towards the product. Distribution intensity helps develop brand awareness and recognition (Smith, 1992). A wide variety of possible distribution channels can improve the awareness of women apparel brands amongst potential women consumers. Store image encompasses characteristics such as physical environment, service levels, and merchandise quality (Baker, Grewal, Parasuraman, 1994, Zimmer and Golden, 1988). The influence of today's channels on brand image is beyond the "availability" factor in the marketing share equation, and retailers' brand image has been found to enhance the image of the brand they carry based on the value the retailers provide to their customers (Srivastava and Shocker, 1991). Grewal, Krishnan and Borin (1998) found that store image provided a tremendous amount of information to consumers about store environment. Customer service, and product quality; and the perceived quality of the brand were found to have a positive relationship with store image. A positive store image can increase a brand's level of exposure in the market place, which can improve brand recognition and awareness. The distribution channel can directly affect the equity of the brands it sells by its supporting actions. However, when Ahmed and Astous (2004) investigated Indian Consumers' judgements of apparel products made in highly and newly industrialized states; they found that store type did not have a significant impact on judgements of perceived quality. They explained that the channels of distribution in emerging economics like India were establishing themselves as product promotional tools; so, the negligible effect of store type was understandable. On the basis of the literature reviewed, we assume that there is a positive relationship between store image and perceived quality and brand awareness in the Indian Women apparel market. One of the major contributors to brand equity is advertising (Aaker and Biel, 1993). Lindsay (1990) argued that the greatest source of added value is consumer perceptions of the product or brand, which came from advertising that built a brand image. Maxwell (1989) further suggested that advertising is vital for creating a consistent flow of sales for brands, rather than relying on the artificial peaks and valleys of price promotion. Advertising can influence brand equity in a number of ways, across both service and product category research, Cobb-Walgreen, et al (1995) found that

the brand with the higher advertising budget had substantially higher levels of awareness. In other words, advertising creates awareness and increases the probability of the brand being included in the consumer's choice set. According to Rice and Bennett (1998), effective advertising increases the level of brand awareness and improve attitudes toward the brand. Studies have demonstrated that heavy advertising improves perceived quality (Nelson 1974) and higher level of advertising signal higher brand quality (Milgrom and Roberts, 1986). Kirmani and Wright (1989) suggested that the perceived expense of a brand's advertising campaign could influence consumer's expectations of product quality. Klein and Leffler (1981) found that advertising levels were positively related to quality. Works by Philip P Abey (2007), revealed a strong bi-directional relationship between advertising and consumption pattern in emerging markets like India. The characterization of equilibrium probability distribution over a range of prices has been defined as price promotion. The same can be implemented over a large number of periods where the demands over subsequent periods are independent of each other (Lal and Villas Boas, 1996). Past research, has studied the effect of such factors as inventory carrying costs, usage rates, number of loyal consumers on the price promotional strategies used by competitive brands. Blattberg, Briesch and Fox (1995) showed that retailers used price promotional strategies to reduce their inventory carrying costs. Works by Raju, Srinivasan and Lal (1990) showed that if some consumers had a lower inventory carrying costs than the retailers, then the optimal strategy for the retailer would be to offer periodic price discounts. Price discounts are likely to have a negative influence on perceptions of quality (Blattberg and Neslin, 1990), because a consumer who purchases a discounted product often "attributes" the fact of discounting to it being a poorer quality product (Dodson, Tybout and Sternthal, 1978) WOM is a form of communication that conveys information about the product and service in a verbal format, mainly through communication (Brown and Reingen, 1987; Herr, et al, 1991). At its core, WOM is a process of personal influence, in which interpersonal communications between a sender and a receiver can alter the receiver's behaviour or attitudes (Merton, 1968). Researches have suggested that the effectiveness of WOM information could be explained by the fact that the information is received in a face-to-face manner and this information is more accessible to the memory, rather than information received from a less vivid format, like mass media (Herr, et al, 1991). Other researches have attributed the effectiveness of WOM to the confidence and perceived credibility the receiver has in the information received. Often the information is sought out from people in whose opinions the receiver has extreme confidence (Kapferer, 1990). Whether the consumer behavior for retail brands as explained by earlier researchers can be applied to women apparels need to be explored. This is the gap in the review of literature which the author tries to explore.

NEED/IMPORTANCE OF THE STUDY

Compared to the previous studies, the authors explore more detailed dimensions of branding and retailing of women apparel, and not just the broad marketing activities (the 4 P's) to enhance the explanatory power of the brand choice phenomenon for women apparel among women shoppers. None of the earlier studies took into account the Indian business model of fashion. In the Indian business model of fashion, a designer designs and produces the clothes himself; he incurs the expense of running a factory, and opens his own shop to sell. This is a flop model, because a designer doesn't have the marketing and financial expertise to run a business. A designer should be left free to focus on creating. Branding and retailing should be left to others. Although considerable research has investigated how to employ branding for apparels, almost all the previous studies have focused mainly on the American and the other Western countries consumers. Since consumers, especially women shoppers in different parts of the world vary in their attitudes and opinions concerning marketing activities (Dawar and Parker, 1994), results from those studies might not be suited for consumers in other countries having different culture and consumer behavior, such as the consumers in emerging markets. Ability of the brand to charge a price premium (Srinivasan, Park and Chang, 2005), and incremental cash flow (Simon and Sullivan, 1993), a major advantage of building a brand lies in influencing the consumer choice decisions (Erdem, et al, 1999). This relationship of branding of women apparel in the Indian business model of fashion seems to be poorly researched. This study would address these gaps in the existing literature. Findings of this research should interest both the practitioners as well as the academics.

STATEMENT OF THE PROBLEM

A study on Retailing and Consumer Behaviour Linkages to Branding of Women Apparel.

OBJECTIVES

(i) To study the shopper behaviour and preferences among women shoppers for branded women apparel. (ii) Do branded women apparels have psychological implications on women shoppers. (iii) What does it take to build a women apparel brand.

HYPOTHESES

- H1:** The perceived quality of a women apparel brand is related positively to the fabric and design trends
- H2:** The perceived quality of a women apparel brand is related positively to the extent to which the price of the brand is perceived to be high
- H3:** Perceived quality of a women apparel brand is related positively to the extent to which the brand is available in branded retail outlets selling women apparels.
- H4:** Perceived quality of women apparel is related positively to the extent to which the brand is distributed through stores with a good image.
- H5:** Brand awareness of a women apparel brand is related positively to the extent to which the brand is distributed through stores with a good image.
- H6:** Perceived quality of a women apparel brand is related positively to the advertising frequency of the brand.
- H7:** Brand awareness of a women apparel brand is related positively to the advertising frequency of the brand.
- H8:** Perceived quality of a women apparel brand is related negatively to the price promotions used for the brand
- H9:** Word-of-Mouth (WOM) perceived quality is positively influenced by positive WOM.
- H10:** Brand awareness is positively influenced by positive (WOM)

RESEARCH METHODOLOGY

On the basis of definitions in the literature, we identified the dimensions that can affect branding and retailing of women apparel and generated a pool of sample measures. Items were measured on a 5 – point Likert scale, with anchors of 1 (strongly disagree) and 5 (strongly agree) Random sampling was done. The pre-test method was used to assess the clarity of the questions and the reliability of the measures of the variables with respect to the questionnaire. In January 2012, a total of 50 pre-test surveys were collected from a non-probability sample of women shoppers. The questionnaire was sent by e-mail to the respondents, who then returned the completed questionnaire to the researcher by e-mail. The respondents were asked to indicate if they had any difficulty understanding and answering the questions besides providing other related suggestions that could be used to improve the questionnaire. Based on their feedback, adjustments to the questionnaire items were made. Cronbach's alpha and test for convergent validity (using the formula of Bagozzi and Baumgartner (1994) were analysed for all the factors, and items found to be unreliable were dropped. Details provided in the tables, T - 1 & T - 2. In summary, the questionnaire was improved on the basis of the findings of the pre-test.

The final research employed shopping centre intercept surveys to collect consumer information. Shopping centres were selected based on a marketing investigation. The criteria to select the shopping centre were that it must have a foot fall of over 1000 per day and a parking capacity of 200 cars at any time. Respondents were selected from women visitors in the shopping centre who were willing to complete the questionnaire while shopping.

To randomize our samples in each shopping mall, every third women shopper who had parked her car or two wheeler between 3 pm and 9 pm on Friday, Saturday and Sunday were contacted for interview.

A total of 282 women shoppers were contacted. While contacting the respondents, there was no discrimination by age. A total of 121 women shoppers agreed to be a respondent. Of the 121 respondents 21 of the respondents were above the age of 30 years and were not aware of women apparel brands. Therefore only questionnaires answered by 100 respondents were considered for tabulation of data

TABLE: T-1: CRONBACH ALPHA OF DIMENSIONS

Dimension	Number of Items	Cronbach's Alpha
Fabric and Design trends	3	0.91
Price	2	0.76
Availability in Branded retail outlets	2	0.79
Perceived quality and store image	2	0.72
Brand awareness and store image	2	0.75
Advertising frequency and perceived quality	2	0.78
Advertising frequency and Brand awarenss	2	0.92
Perceived quality and price promotions	2	0.77
Perceived quality and Word-of-Mouth (WOM)	2	0.80
Brand awareness andWOM	1	0.89

TABLE: T-2: CONVERGENT VALIDITY OF DIMENSIONS

Dimensions	Composite Reliability
Fabric and Design trends	0.82
Price	0.6
Availability in Branded retail outlets	0.51
Perceived quality and store image	0.5
Brand awareness and store image	0.55
Advertising frequency and perceived quality	0.7
Advertising frequency and Brand awareness	0.58
Perceived quality and price promotions	0.59
Perceived quality and Word-of-Mouth (WOM)	0.56
Brand awareness and WOM	0.51

RESULTS AND DISCUSSION

FRIEDMAN TWO-WAY ANOVA

The data was subjected to Milton Friedman’s two-way ANOVA, popularly known as Friedman ANOVA in order to find out whether there is any significant difference among the ranking of factors influencing branding and its linkage to retailing and consumer behavior for women apparels.

The hypotheses for the test were formulated as follows:

H0 = There is no significant difference among the factors influencing branding and its linkage to retailing and consumer behavior for women apparel.

Ha = There is a significant difference among the factors influencing branding and its linkage to retailing and consumer behavior for women apparel.

TABLE: T-3: FRIEDMAN TWO- WAY ANOVA

RANKS

Factor	Mean Rank	Chi-Square	P Value
Q 1	8.21	167.648	0.000
Q 2	12.96		
Q 3	13.19		
Q 4	9.49		
Q 5	8.33		
Q 6	9.94		
Q 7	11.18		
Q 8	11.18		
Q 9	10.33		
Q 10	10.41		
Q 11	9.40		
Q 12	9.70		
Q 13	9.95		
Q 14	11.20		
Q 15	11.58		
Q 16	7.09		
Q 17	11.00		
Q 18	12.14		
Q 19	12.82		
Q 20	9.91		

Since the P value is less than 0.010 it is proved that there is a significant difference among the factors influencing branding and its linkage to retailing and consumer behavior for women apparels at 1% level of significance. Therefore we reject the Null Hypotheses H0 and accept the alternate Hypotheses Ha.

From the above analysis, it is proved that there is a significant difference among factors influencing branding and its linkage to retailing and consumer behavior for women apparel in terms of their levels of influence.

Their levels of influence can be analysed using the weighted average method which also enables us to rank the 20 factors considered for the study in terms of their levels of influence on branding and its linkages to retailing.

TABLE: T-4: USING WEIGHTED AVERAGES FREQUENCY TABLE

SD – Strongly Disagree; D – Disagree ; N – Neutral; A – Agree; SA – Strongly Agree

S.No.	Factor	SD	D	N	A	SA	TOTAL	Weighted Average	Rank
Q 1	Trust	5	27	24	37	7	100	3.14	19
Q 2	Quality fabric and latest fashion trends		4	22	47	27	100	3.97	3
Q 3	Instant recall value		3	17	48	32	100	4.09	1
Q 4	High price represents sup.quality	5	22	24	32	17	100	3.34	17
Q 5	High price brands plays up your pluses	7	18	35	30	10	100	3.18	18
Q 6	Availability in branded retail outlets	2	18	23	46	11	100	3.46	13
Q 7	Occupy shelf space		9	29	43	19	100	3.72	7
Q 8	Reputed stores -quality brands	2	12	24	42	20	100	3.66	9
Q 9	Image of store	8	14	20	36	22	100	3.50	12
Q 10	New brands Reputed stores	2	13	26	41	18	100	3.60	10
Q 11	Shop to enhance knowledge	4	20	26	34	16	100	3.38	16
Q 12	Advt.	3	24	18	38	17	100	3.42	15
Q 13	Advt. Social recognition	6	19	19	36	20	100	3.45	14
Q 14	Knowledge product off from Advts		8	23	56	13	100	3.74	6
Q 15	Advts. Induce		13	18	48	21	100	3.77	5
Q 16	Price discounts do not attract	14	31	20	27	8	100	2.84	20
Q 17	Price discounts out of fashion	1	7	34	36	22	100	3.71	8
Q 18	Recommendation of friends and relatives	2	7	18	47	26	100	3.88	4
Q 19	Discussions at work place and parties	1	6	15	49	29	100	3.99	2
Q 20	Influence of friends	2	13	35	31	19	100	3.52	11

INFERENCE: From the weighted averages of the responses against the 20 factors if we are to consider the top 5 factors we could infer as follows:

RANK	FACTOR	VARIABLE	INFERENCE
1.	A brand is about instant recall value of the hand feel, texture, performance of the fabric and design	Perceived quality of a women apparel brand	The perceived quality of a women apparel brand is related positively to the fabric and design trends.- Hence H1 is accepted
2.	Discussions at place of work and during parties influences choice of the apparel brand	Word-of-Mouth (WOM)	Perceived quality is positively influenced by positive WOM – Hence H9 is accepted
3.	Renowned women apparel brands offer good quality fabric and latest fashion trends	Perceived quality of a women apparel brand	The quality of a women apparel brand is related positively to the fabric and design trends .- Hence H1 is accepted
4.	Recommendations of friends and relatives influences my choice of the retail outlet as well as the brand of apparel	Word-of-Mouth	Perceived quality is positively influenced by positiveWOM.- Hence H9 is accepted
5.	Advertisements induce, to try out new styles of apparels	Advertising frequency of a brand	Brand awareness of a women apparel brand is related positively to the advertising frequency of the brand – Hence H7 is accepted.

The four demographic features whose influence has been analysed are age, family income per month, educational qualification and financial independence. In order to study the influence of the age of the women shopper on branding and retailing of women apparel, t – test was performed on the data. The null hypotheses H0 was framed as that there was no significant difference in the responses between the two age groups

TABLE: T-5: t- TEST: GROUP STATISTICS

Age Group In years	N	Mean	Std. Deviation	t-value	P Value
18 – 23	67	70.27	8.359		
24 – 28	33	73.58	7.786	1.902	0.060

Since P Value is greater than 0.05 it can be concluded that there is no significant difference between the responses of the two age groups of women shoppers. Therefore we accept the null hypotheses H0.

To re-confirm the above results the data was subjected to cross tabulation as shown below in table T-6.

The null hypotheses was framed as that, there is no association between age of the woman shopper and branding and retailing of women apparel.

TABLE: T-6: CROSS TABULATION OF AGE OF WOMEN SHOPPERS AND ITS INFLUENCE ON BRANDING AND RETAILING OF WOMEN APPAREL

Age Group in years	Level of influence of age on branding and retailing			Total	Chi-square value	P Value
	Low	Average	High			
18-23	20 (29.9) [80.0]	32 (47.8) [66.7]	15 (22.4) [55.6]	67	3.513	0.173
24-28	5 (15.2) [20.0]	16 (48.5) [33.3]	12 (36.4) [44.4]	33		
Total	25	48	27	100		

- Note : 1. The value within () refers to row percentage
 2. The value within [] refers to column percentage

Since P value is greater than 0.05 it can be concluded that the age of the women shopper has no significant association/influence on branding and retailing of women apparel, which means we accept the null hypotheses H0.

After ruling out the chances of age of the woman shopper having any influence on branding and retailing of women apparel, we now considered the next demographic factor i.e, family income per month.

The One way ANOVA test was performed on the data. The null hypotheses was framed as, that there was no significant difference between the population means of the four groups of monthly incomes considered for the study

TABLE: T-7: ONE WAY ANOVA

Family income per month (Rs.)	N	Mean	Std.Deviation	F value	P value
Below 20,000	30	69.77	7.960	2.214	0.091
20,000 - 30,000	14	75.71	6.832		
30,000 – 40,000	23	69.57	7.549		
Above 40,000	33	72.21	9.110		
Total	100	71.36	8.284		

TABLE: T-8: ANOVA

Variation	Sum of Squares	Degrees of freedom	Mean sum of Squares	F Value	P Value
Between Groups	439.649	3	146.550	2.214	0.091
Within Groups	6353.391	96	66.181		
Total	6793.040	99	-		

Since P value is greater than 0.05 we conclude that there is no significant difference between the population means of the four groups of monthly incomes considered for the study thus accepting H0. Before ruling out the influence of monthly income on branding and retailing of women apparel we subjected the data to cross tabulation to reconfirm the above results.

The null hypotheses was framed as, that there was no association of monthly income of women shoppers on branding and retailing of women apparel.

TABLE: T-9: CROSS TABULATION OF MONTHLY FAMILY INCOME OF THE WOMEN SHOPPERS AND ITS INFLUENCE ON BRANDING AND RETAILING OF WOMEN APPAREL

Monthly Family Income (in Rs.)	Level of influence of monthly family income on branding and retailing			Total	Chi-square value	P Value
	Low	Average	High			
Below 20,000	9 (30.0) [36.0]	16 (53.3) [33.3]	5 (16.7) [18.5]	30	9.860	0.131
20,000-30,000	1 (7.1) [4.0]	7 (50.0) [14.6]	6 (42.9) [22.2]	14		
30,000-40,000	7 (30.4) [28.0]	13 (56.5) [27.1]	3 (13.0) [11.1]	23		
Above 40,000	8 (24.2) [32.0]	12 (36.4) [25.0]	13 (39.4) [48.1]	33		
Total	25	48	27	100		

- Note : 1. The value within () refers to row percentage
 2. The value within [] refers to column percentage

Since P value is greater than 0.05 it can be concluded that monthly family income of the women shopper has no significant association/influence on branding and retailing of women apparel which means we accept the null hypotheses.

H0. Now that we have ruled out the chances of age and monthly family income of the woman shopper having any influence on branding and retailing of women apparel, we then considered the third demographic factor i.e, educational qualification.

The data was subjected to Mann-whitney U test, also known as Wilcoxon Rank-Sum test. The two sample groups were women who were undergraduates and women who were post graduates.

The null hypotheses was framed as, there was no significant difference between the two groups in terms of their qualification having an influence on branding and retailing of women apparel.

TABLE: T-10: MANN-WHITNEY TEST

Educational Qualification	N	Mean Rank	Z value	P Value
U G	48	36.61	4.603	0.000
P G	52	63.32		
Total	100			

Since P value is less than 0.010 it denotes that the two sample groups are significantly different in terms of their influence on branding and retailing. Thus we reject the null hypotheses H0 and accept the alternate hypotheses Ha.

In order to reaffirm the influence of educational qualification on branding and retailing of women apparel the data was subjected to cross tabulation.

The null hypotheses was framed as, that there is no association between educational qualification of women shoppers and branding and retailing of women apparel.

TABLE: T-11 CROSS TABULATION OF EDUCATIONAL QUALIFICATION OF WOMEN SHOPPERS AND ITS INFLUENCE ON BRANDING AND RETAILING OF WOMEN APPAREL

Educational Qualification	Level of influence of educational qualification on branding and retailing of women apparel			Total	Chi-square value	P Value
	Low	Average	High			
U G	20 (41.7) [80.0]	21 (43.8) [43.8]	7 (14.6) [25.9]	48	15.875	0.000
P G	5 (9.6) [20.0]	27 (51.9) [56.3]	20 (38.5) [74.1]	52		
Total	25	48	27	100		

- Note: 1. The value within () refers to row percentage
 2. The value within [] refers to column percentage

Since P value is between 0 and 0.010 it can be concluded that educational qualification of the woman shopper had a significant association /influence on branding and retailing of women apparel which means we reject the null hypotheses H0.

Then we considered the fourth demographic factor i.e, the financial independence of the woman shopper.

The data was subjected to t-test to learn about the influence of financial independence of woman shopper on branding and retailing of women apparel. The null hypotheses was framed as, that there is no significant difference between the two groups in terms of their influence on branding and retailing of women apparel.

TABLE: T-12: T-TEST: GROUP STATISTICS OF THE FINANCIALLY INDEPENDENT AND FINANCIALLY DEPENDANT

Financially independent	N	Mean	Std Deviation	t value	P value
Yes	10	77.10	8.130	2.363	0.020
No	90	70.72	8.095		

Since P value falls between 0.011 and 0.050 it can be concluded that there is a significant difference in the levels of influence between financially dependant women shoppers and financially independent women shoppers.

To reconfirm the above results the data was subjected to cross tabulation as shown below in table T-13.

The null hypotheses was framed as that, there is no association between financial independence of the woman shopper and branding and retailing of women apparel.

TABLE: T-13: CROSS TABULATION OF FINANCIAL INDEPENDENCE OF WOMEN SHOPPERS AND ITS INFLUENCE ON BRANDING AND RETAILING OF WOMEN APPAREL

Financially independent	Level of influence of financial independence of women shoppers on branding and retailing of women apparel			Total	Chi-square value	P Value
	Low	Average	High			
Yes	1 (10.0) [4.0]	3 (30.0) [6.3]	6 (60.0) [22.2]	10	6.231	0.044
No	24 (26.7) [96.0]	45 (50.0) [93.8]	21 (23.3) [77.8]	90		
Total	25	48	27	100		

- Note:
1. The value within () refers to row percentage
 2. The value within [] refers to column percentage

Since P value falls between 0.011 and 0.050 it can be concluded that there is a significant difference in the levels of influence between financially dependent women shoppers and financially independent women shoppers.

Thus, from the analysis of the data we can come to a fair conclusion that educational qualification and financial independence of the women shoppers have a significant impact on branding, retailing and consumer behavior for women apparel.

FINDINGS

The analysis shows that for any women apparel brand to have instant recall value, the hand feel, texture, performance of the fabric and design is the most important parameter that a woman shopper looks for. Also, renowned apparel brands are perceived by women shoppers, to offer good quality fabric and latest fashion trends. These two findings of ours are derived from our testing of hypotheses H1 which states that, the perceived quality of a women apparel brand is related positively to the fabric and design trends.

H9 argued that perceived quality is positively influenced by positive WOM (Word of Mouth). The results from this study supported this proposed relationship. Women shoppers have opined that discussions at place of work and during parties influenced their choice of the apparel brand. Similarly recommendations of friends and relatives also influenced their choice of the brand of apparel as well as the choice of the retail outlet.

H7 argued that brand awareness of a women apparel brand is related positively to the advertising frequency of the brand. The results from this study supported this proposed relationship. Women shoppers have suggested that advertisements induce them to try out new styles of apparels.

The analysis also concluded that educational qualification and financial independence of the women shoppers had a significant impact on branding, retailing and consumer behavior for women apparel.

RECOMMENDATIONS/SUGGESTIONS

One of the major findings of this study is that brand choice probability of a women apparel brand could be enhanced if the brand is able to establish instant recall value in the minds of women shoppers. Hand feel, texture, performance of the fabric and design are the factors that should go into the apparel brand to achieve instant recall value.

On achieving the above, brand awareness has to be created by frequent advertising. It is frequent advertising that induce women shoppers to try out new styles and new brands of apparel.

The advertisements should be targeted at financially independent women who are highly educated because it is this segment who form the market for branded women apparel.

Increased publicity also helps because perceived quality is positively influenced by positive WOM. Sponsorship of office parties and events conducted by companies would help in creating a positive feeling about the brand. This positive feeling would result in recommendations to friends and relatives, and would also find a place in discussions at places of work.

This study should serve as a guideline to the brand managers in women apparel companies, to designers and also to the management of companies who are planning to introduce their women apparel brands in the market. Ultimately better choice probability can translate to an increased market share and also an increase in sales.

CONCLUSIONS

The results showed that, of the ten dimensions of branding and retailing of women apparel considered, three dimensions had a very strong impact. However, contrary to what many previous studies reported, educational qualification and financial independence of the women shoppers had a significant impact on branding, retailing and consumer behavior for women apparel. Word-of-mouth is a better determinant of brand awareness for women apparel. Advertising frequency is a builder of brand awareness.

SCOPE FOR FURTHER RESAEARCH

Our study is limited by several factors that can be addressed in future research. First, out sample is limited geographically. Our hypotheses should be tested further in other metros and states to get a pan India data.

Secondly the study focuses only on dimensions that would influence branding and retailing of women apparel among women shoppers and does not consider the interaction of marketing mix elements, amongst themselves.

Hence we call on future research to examine the lacunae stated above

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DEVELOPING A KNOWLEDGE MANAGEMENT STRATEGY TO REDUCE COST OF QUALITY FOR AUTOMOBILE INDUSTRY

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ABSTRACT

Organisations are facing ever-increasing challenges, brought on by marketplace pressures or the nature of the workplace. Many organisations are now looking to knowledge management (KM) to address these challenges. Such initiatives are often started with the development of a knowledge management strategy. To be successful, a KM strategy must do more than just outline high-level goals such as 'become a knowledge-enabled organisation'. Instead, the strategy must identify the key needs and issues within the organisation, and provide a framework for addressing these. This paper provides an approach for developing a KM strategy that focuses strongly on an initial needs analysis. Taking this approach ensures that any activities and initiatives are firmly grounded in the real needs and challenges confronting the organisation. KM strategy reduces cost of quality. The cost quality is the cost of poor quality.

KEYWORD

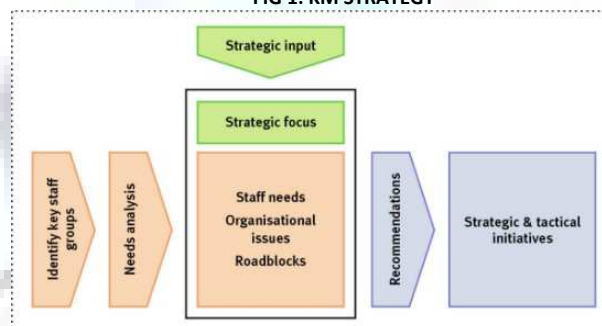
KM strategy, cost of quality, Automobile Industry.

INTRODUCTION

There are many approaches for developing a knowledge management strategy, each supported by a holistic model of KM processes.



FIG 1: KM STRATEGY



These can be classified into two main approaches

- Top-down

The overall strategic direction of the organisation is used to identify the focus of the knowledge management initiative. This is reflected in a series of activities designed to meet this broad goal.

- Bottom-up

Research is conducted into the activities of staff involved in key business processes. The findings of this research highlights key staff needs and issues, which are then, tackled through a range of knowledge management initiatives.

Each of these approaches has its strengths, and in practice, a success KM programme must encompass both.

This article presents a model that focuses strongly on the needs analysis activities with staff, to drive a primarily bottom-up strategy, as follows:

1. Identify the key staff groups within the organisation. These groups deliver the greatest business value, or are involved in the most important business activities.

2. Conduct comprehensive and holistic needs analysis activities with selected staff groups, to identify key needs and issues.
3. Supplement this research with input from senior management and organisational strategy documents, to determine an overall strategic focus.
4. Based on these findings, develop recommendations for addressing the issues and needs identified.
5. Implement a series of strategic and tactical initiatives, based on the recommendations. These will select suitable knowledge management techniques and approaches.

OBJECTIVES OF THE STUDY

Historically, many knowledge management strategies have focused solely on the top-down approach, identifying high-level objectives such as 'become a knowledge-enabled organisation'.

With little understanding, of the key issues and needs of staff throughout the organisation, these initiatives found it difficult to engage staff in the required cultural and process changes.

As a result, many of these initiatives had little long-term impact on the organisation, despite initial efforts. Recognising these issues, this approach focuses much more strongly on the initial needs analysis activities.

METHODOLOGY

The approach to developing a KM strategy outlined in this paper provides a number of major benefits:

HOLISTIC

The focus on needs analysis will identify a wide range of issues and requirements. Some will be organisation-wide, while others will be specific to individual business units or job roles.

The use of a range of needs analysis techniques will identify:

- cultural issues
- key business needs
- duplication of effort
- inconsistencies in practices
- inefficiencies in business processes
- opportunities for improved policies or procedures
- major business risks
- and much more...

SOLUTION-INDEPENDENT

The approach used to develop the knowledge management strategy makes no assumptions about the solutions that might be implemented. As such, the approach is independent of any technologies implemented, or knowledge management techniques applied. Instead, the approach is to identify the need, and then determine the solution.

SIMPLE

The use of well-tested needs analysis techniques gives confidence that the true issues in the organisation will be identified. In practice, these simply 'fall out' of the research activities, with the key strategic and tactical recommendations becoming obvious in most cases.

This simplicity makes the process easy to implement, and ensures that the findings and recommendations are well-understood throughout the organisation.

EFFICIENT

A modest amount of initial research will be sufficient to identify the most crucial problems within the organisation. These can then be tackled with suitable activities and initiatives. Once this first round of projects have delivered tangible business benefits, additional targeted research can be used to identify further issues to be addressed. This 'iterative' approach can then be repeated, ensuring that business improvements are seen even as the next round of research is initiated.

TARGETS RESOURCES

There are many 'good ideas' that can be drawn from the field of knowledge management. The challenge is to identify those approaches that will have the greatest impact upon the organisation. By starting with the needs analysis, approaches can be targeted to address the most critical issues, or to deliver the greatest business benefits.

IDENTIFYING KEY STAFF GROUPS

The first step in the process is to identify the key staff groups in the organisation. The key staff are typically those directly involved in the most important business activities. In general, the key staff groups are more likely to be those at the front-line, rather than managers or administrative staff. This will, of course, depend on the nature and structure of the organisation.

Common staff groups involve:

- front-line staff
- call centre staff
- field workers
- researchers
- clinical staff
- production workers
- administrative and support staff
- managers (senior, line)
- IT staff

Each of these groups will have specific needs and issues, as well as those in common with the organisation as a whole. By targeting the key staff groups, the extent to which the needs vary across the organisation can be identified, and the KM strategy developed accordingly.

NEEDS ANALYSIS TECHNIQUES

There are a wide range of need analysis techniques, drawn from fields such as knowledge management, user-centred design, ethnography and anthropology.

Techniques include:

- facilitated discussions
- focus groups
- surveys
- staff interviews
- workplace observation
- contextual inquiry
- task analysis

In practice, more than one technique should be used with a selected group of staff, to ensure that a complete picture is built up. Each of the techniques is briefly described in the sections below.

FACILITATED DISCUSSIONS

There are a wide range of facilitated discussion techniques that can be used to explore issues with targeted staff groups. These are most commonly used with management, consultants, and other staff comfortable with these types of meetings. Techniques such as 'affinity diagrams' can be used to provide structure to the discussions, and to capture the issues identified. In many cases, facilitated discussions are used as the primary mechanism for gaining the strategic input required for the development of the KM strategy.

FOCUS GROUPS

These are a specific, and widely-used, form of facilitated discussions that focus on exploring a topic within a group setting. Often used as a way of gathering input from larger numbers of stakeholders, focus groups must be run carefully if they are to generate meaningful results. Focus groups are best used to explore current issues and problems, rather than to discuss future 'wish-lists' of knowledge management approaches. Focus groups should always be used in conjunction with techniques such as staff interviews and contextual inquiry, to ensure that the results are meaningful.

SURVEYS

The use of surveys is widespread, and they are a very efficient way of gaining input from a large number of staff throughout an organisation. In practice, surveys are best used to gather staff opinions, rather than specific information on which to base decisions. Care must also be taken when developing the survey questions, and analysing the results. Survey results must always be supported with the use of other techniques, to provide confidence in the findings.

STAFF INTERVIEWS

One-on-one interviews are one of the most effective and often used techniques for identifying staff needs and issues.

WORKPLACE OBSERVATION

This involves going 'out into the field' to observe the activities of staff, and the environment in which they work. Workplace observation is particularly effective in environments such as call centres, manufacturing areas, field working, or on-the-road staff.

It is a very holistic technique that will identify patterns of work and environment issues that are impossible to gather using techniques such as surveys or focus groups.

CONTEXTUAL INQUIRY

This is a combination of staff interviews and workplace observation that involves exploring issues with a staff person, while situated within their normal working environment. By conducting the interview 'in context', it becomes possible to see the resources used by staff when conducting work activities. The interviewer can also ask the staff person to show them how they complete specific activities, for example, showing how they find a piece of information on the intranet. This technique is very effective at identifying issues with currently-available information sources and tools.

TASK ANALYSIS

Not all activities within an organisation are of equal value. Key business tasks should be identified, and investigated to gain an understanding of the steps involved, and the knowledge required at each step. The existing sources of the knowledge can then be identified, along with the key issues and roadblocks impacting upon the effectiveness and efficiency of the task. This type of research will identify mechanisms for both improving the task itself, as well as indicating how to improve the provision of knowledge to those involved in completing the task.

STRATEGIC INPUT

While the needs analysis activities focused on the 'bottom-up' aspects of the KM project, the overall strategic focus must also be identified. This strategic focus then guides the knowledge management strategy, providing a framework for the selection and prioritisation of individual projects and activities. In this way, both the bottom-up and top-down aspects of the knowledge management strategy are addressed.

There are a number of sources of input that can be drawn upon when determining the strategic focus, including:

- Senior management involvement, via interviews, facilitated discussions, or other interactions.
- Organisational strategy documents, such as the corporate plan or annual report.
- Results of other strategic research projects, such as 'staff satisfaction surveys'.
- External market research.
- Industry 'best practices', and other reports drawn from relevant industry or sector bodies.

These inputs can then be synthesised into a strategic focus for the knowledge management initiatives.

COMMON FINDINGS

The needs analysis and strategic input will highlight a broad range of issues and needs throughout the organisation.

- difficulty in finding key corporate information
- inconsistent and unstructured approach to information management
- ineffective dissemination of corporate and regional news
- reliance on 'rumour' and 'gossip' as the key sources of organisational news
- lack of knowledge sharing between related business units
- difficulties in determining and disseminating 'best practices'
- inconsistency in advice given by call centre and front-line staff
- over reliance on long-service members of staff as sources of knowledge
- cultural barriers between head office and regional staff
- duplication of effort between regions
- roadblocks between policy development and programme implementation

These are just a small sampling of possible findings, to provide an idea of the types of issues that will often drive the implementation of a knowledge management strategy.

ACTING ON THE FINDINGS

With an in-depth understanding of the problems, issues and needs within the organisation, it is then possible to meaningfully determine appropriate strategies for addressing them. This will undoubtedly include a range of both strategic (long-term) and tactical (short-term) initiatives. Depending on the issues identified, these might include:

- improving the corporate intranet
- formalising communities of practice
- implementing coaching and mentoring programmes
- improving document and records management
- facilitating skills transfer from retiring staff
- capturing staff knowledge in a documented form
- improving policies and procedures
- implementing new learning approaches, including e-learning
- enhancing the corporate staff directory
- implementing team collaboration tools and processes
- establishing after-action review processes
- formalising the role of 'knowledge brokers' within the organisation

These are just a small cross-section of the many possible approaches that can be taken to knowledge management. As highlighted throughout this article, only the needs analysis activities allow a meaningful selection to be made between these different approaches. In practice, each organisation will apply a unique mix of short-term 'quick wins' and longer-term projects to meet knowledge management needs.

CONCLUSION

Developing a knowledge management strategy provides a unique opportunity to gain a greater understanding of the way the organisation operates, and the challenges that confront it. By focusing on identifying staff needs and issues, activities and initiatives can be recommended with the confidence that these will have a clear and measurable impact upon the organisation.

Supplementing this 'bottom-up' research with a strategic focus then ensures that the KM initiative is aligned with broader organisational directions. Taking this approach to the development of a KM strategy allows limited resources to be targeted to the key needs within the organisation, delivering the greatest business benefits while positioning the organisation for long-term growth and stability. Indirectly KM strategy it reduces cost of quality.

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PROFITABILITY AND CONSISTENCY ANALYSIS OF INFORMATION TECHNOLOGY SECTOR

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ABSTRACT

In India, Information Technology sector is one the most promising & growing industry. But from the point of view of profitability & consistency these are the not as good as it is for overall industry & it differs from one company to other. Under the study we have taken the four major players working in the information technology sector in India & taken the financial data of all the companies for four financial years. For the research purpose there are various ratios which are calculated & further taken into consideration for the different tests. In the study secondary data are used which are collected from internet. Objective of study is to analyze the performance of each company by profitability & consistency under the study & give them various ranks according to their performance. Thus, it is useful for the measurement of overall performance of various companies under information technology in India.

KEYWORDS

Information Technology in India, Profitability & Consistency.

INTRODUCTION

The Indian Information Technology industry accounts for a 5.9% of the country's GDP and export earnings as of 2009, while providing employment to a significant number of its tertiary sector workforce. More than 2.3 million people are employed in the sector either directly or indirectly, making it one of the biggest job creators in India and a mainstay of the national economy. In March 2009, annual revenues from outsourcing operations in India amounted to US\$60 billion and this is expected to increase to US\$225 billion by 2020. The most prominent IT hub is IT capital Bangalore. The other emerging destinations are Chennai, Hyderabad, Mumbai, Pune, NCR, Jaipur and Kolkata. Technically proficient immigrants from India sought jobs in the western world from the 1950s onwards as India's education system produced more engineers than its industry could absorb. However, there are severe skills shortage among engineers, especially who lack in soft skill and technical skill, as a result engineering graduates remain unemployed after being pass out from college or university. India's growing stature in the information age enabled it to form close ties with both the United States of America and the European Union. Each year India produces roughly 500,000 engineers in the country, out of them 25% to 30% possessed both technical competency and English language skills, although 12% of India's population can speak in English out of 100. India developed a number of outsourcing companies specializing in customer support via Internet or telephone connections. By 2009, India also has a total of 37,160,000 telephone lines in use, a total of 506,040,000 mobile phone connections, a total of 81,000,000 Internet users—comprising 7.0% of the country's population, and 7,570,000 people in the country have access to broadband Internet— making it the 12th largest country in the world in terms of broadband Internet users. Total fixed-line and wireless subscribers reached 543.20 million as of November, 2009.

PROGRESSIVE YEARS

Videsh Sanchar Nigam Limited (VSNL) introduced Gateway Electronic Mail Service in 1991, the 64 kbit/s leased line service in 1992, and commercial Internet access on a visible scale in 1992. Election results were displayed via National Informatics Centre's NICNET. The Indian economy underwent economic reforms in 1991, leading to a new era of globalization and international economic integration. Economic growth of over 6% annually was seen between 1993-2002. The economic reforms were driven in part by significant the internet usage in the country. The new administration under Atal Bihari Vajpayee—which placed the development of Information Technology among its top five priorities— formed the Indian National Task Force on Information Technology and Software Development. The New Telecommunications Policy, 1999 (NTP 1999) helped further liberalize India's telecommunications sector. The Information Technology Act 2000 created legal procedures for electronic transactions and e-commerce. Throughout the 1990s, another wave of Indian professionals entered the United States. The number of Indian Americans reached 1.7 million by 2000. This immigration consisted largely of highly educated technologically proficient workers. Within the United States, Indians fared well in science, engineering, and management. Graduates from the Indian Institutes of Technology (IIT) became known for their technical skills. The success of Information Technology in India not only had economic repercussions but also had far-reaching political consequences. India's reputation both as a source and a destination for skilled workforce helped it improve its relations with a number of world economies. The relationship between economy and technology—valued in the western world—facilitated the growth of an entrepreneurial class of immigrant Indians, which further helped aid in promoting technology-driven growth.

TABLE 1

Particulars	Financial Years			
	2004	2005	2006	2007
IT Services	10.4	13.5	17.8	23.7
-Exports	7.3	10.0	13.13	18.1
-Domestic	3.1	3.5	4.5	5.6
ITES – BPO	3.4	5.2	7.2	9.5
-Exports	3.1	4.6	6.3	8.3
-Domestic	0.3	0.6	0.9	1.2
Engineering services, & Software Products	2.9	3.9	5.3	6.5
-Exports	2.5	3.1	4.0	4.9
-Domestic	0.4	0.7	1.3	1.6
Hardware	5.0	5.9	7.0	8.2
Total IT Industry	21.6	28.4	37.4	47.8
-Exports	13.4	18.2	24.1	31.9
-Domestic	8.3	10.2	13.2	15.9
				(USD bn)

Source: NSSCOM

OBJECTIVES

- To measure the performance of the companies according to their profitability.
- To measure the performance of the companies according to their consistency.
- To give rankings to the sample companies as per their overall performance.

HYPOTHESIS AND RESEARCH METHODOLOGY

Analysis of Profitability and consistency of companies in Information Technology sector. It has seven sub-hypothesis which are as follows:

HYPOTHESIS 1

H₀: There is no significant difference between gross profit margin ratio of companies.

H_a: There is a significant difference between gross profit margin ratio of companies.

HYPOTHESIS 2

H₀: There is no significant difference between net profit margin ratio of companies.

H_a: There is a significant difference between net profit margin ratio of companies.

HYPOTHESIS 3

H₀: There is no significant difference between operating expenses ratio of companies.

H_a: There is a significant difference between operating ratio of companies.

RESEARCH METHODOLOGY**TYPE OF RESEARCH**

Type of research used here is an Analytical Research, the researcher have used the facts already available and have analyze them to make a critical evaluation of the material.

SAMPLE DESIGN

Sampling design: The sampling used here is convenient sampling.

SAMPLE SIZE

In the study, data collected from four companies consisting three financial years.

VARIABLES OF STUDY

Dependent variables: Profitability and Consistency. Independent variables: gross profit margin, net profit margin, operating expenses ratio, return on total assets, return on net assets, return on equity, dividend pay-out ratio.

METHOD OF DATA COLLECTION

The data used to calculate the ratios are derived from balance sheet and profit and loss account of sample companies from the internet.

METHOD OF ANALYSIS OF DATA

Here data is preliminarily analyzed using a test called one-way ANOVA. ANOVA means analysis of variance. On the basis of ANOVA performed on each of the ratios some points are allocated to companies and on the basis of that conclusion is derived.

ANALYSIS AND INTERPRETATION**GROSS PROFIT MARGIN**

The Values calculated for the four companies related to Gross Profit Margin in the previous section is summarized below.

TABLE 2

	Infosys	TCS	Wipro	Tech Mahindra
2009	45.00099	67.10369	41.2975	67.42163
2008	43.2771	67.40722	40.76066	66.08872
2007	44.64978	56.85152	44.03569	69.37665

ANOVA test performed on the above data gives following result.

Anova: Single Factor

SUMMARY

TABLE 3

Groups	Count	Sum	Average	Variance
Infosys	3	132.92787	44.30929	0.829899263
TCS	3	191.36243	63.78747667	36.10365378
Wipro	3	126.09385	42.03128333	3.08528386
Tech Mahindra	3	202.887	67.629	2.734872659

ANOVA

TABLE 4

Source of Variation	SS	df	MS	F	P-value	F crit
Between Groups	1553.79772	3	517.932573	48.45732252	1.78327E-05	
Within Groups	85.5074191	8	10.6884273			
Total	1639.305139	11				

Interpretation: The test gives F-ratio value which is greater than the critical value for given degree of freedom. So the difference between Gross Profit Margin of sample companies is not because of sampling error or any other reason. This difference can be considered as a significant difference. So we can rank the companies for its profitability and consistency. We can allocate points to it ranging from 4-1as per the performance indicated by Average and Variance, given in the Summery section. They are shown in the following table.

TABLE 5

	Profitability	Consistency
Infosys	2	4
TCS	3	1
Wipro	1	3
Tech Machindra	4	2

NET PROFIT MARGIN

The Values calculated for the four companies related to Net Profit Margin in the previous section is summarized below.

TABLE 6

	Infosys	TCS	Wipro	Tech Mahindra
2009	28.716	20.961	13.8308	22.63984
2008	28.566	24.652	17.512	9.035426
2007	28.7703	25.149	20.7691	2.364289

ANOVA test performed on the above data gives following result.

Anova: Single Factor

SUMMARY

TABLE 7

Groups	Count	Sum	Average	Variance
Infosys	3	86.05215	28.68405	0.01119783
TCS	3	70.76244	23.58748	5.233793513
Wipro	3	52.11243	17.37081	12.05192595
Tech Mahindra	3	34.039555	11.34651833	106.7803529

ANOVA

TABLE 8

Source of Variation	SS	df	MS	F	P-value	F crit
Between Groups	509.5009859	3	169.833662	5.475093438	0.024314	4.0661
Within Groups	248.1545404	8	31.0193175			
Total	757.6555263	11				

Interpretation: The test gives F-ratio value which is greater than the critical value for given degree of freedom. So the difference between Net Profit Margin of sample companies is not because of sampling error or any other reason. This difference can be considered as a significant difference. So we can rank the companies for its profitability and consistency. We can allocate points to it ranging from 4-1as per the performance indicated by Average and Variance, given in the Summery section. They are shown in the following table.

TABLE 9

	Profitability	Consistency
Infosys	4	4
TCS	3	3
Wipro	2	2
Tech Machindra	1	1

OPERATING EXPENSES RATIO

The Values calculated for the four companies related to Operating Expenses Ratio in the previous section is summarized below.

TABLE 10

	Infosys	TCS	Wipro	Tech Mahindra
2009	65.91986	73.1261	77.5274	71.47873
2008	68.28249	73.8858	78.6184	77.2325
2007	67.86828	71.2117	76.0215	74.47148

ANOVA test performed on the above data gives following result.

Anova: Single Factor

SUMMARY

TABLE 11

Groups	Count	Sum	Average	Variance
Infosys	3	202.07063	67.3587667	1.591655156
TCS	3	218.22359	72.74119667	1.898916827
Wipro	3	232.16726	77.38908667	1.700361365
Tech Mahindra	3	223.18271	74.39423667	

ANOVA

TABLE 12

Source of Variation	SS	df	MS	F	P-value	F crit
Between Groups	159.3488432	3	55.1162810	15.77101299	0.001013	4.0661
Within Groups	26.9437511	8	3.36796888			
Total	186.2925943	11				

Interpretation: The test gives F-ratio value which is greater than the critical value for given degree of freedom. So the difference between Operating Expenses Ratio of sample companies is not because of sampling error or any other reason. This difference can be considered as a significant difference. So we can rank the companies for its profitability and consistency. We can allocate points to it ranging from 4-1as per the performance indicated by Average and Variance, given in the Summery section. They are shown in the following table.

TABLE 13

	Profitability	Consistency
Infosys	4	4
TCS	3	2
Wipro	1	3
Tech Machindra	2	1

FINAL ANALYSIS

In detailed analysis of each ratio, we have seen interpretation of the test performed on the ratio values of different companies. On the basis of that we can conclude which ratios can help ranking the companies on the basis of their performance and which ratios should not be taken into the consideration because of sampling error or due to some other unseen errors.

The ratios which can be considered for ranking are:

- 1) Gross profit margin
- 2) Net profit margin
- 3) Operating expenses ratio

The ratios which cannot be consider for ranking are:

- 1) Return on total assets
- 2) Return on net assets
- 3) Return on equity
- 4) Dividend pay-out ratio

On the basis of overall performance on ratios which are considered for ranking the following result and interpretation can be seen. We can decide the profitability and consistency of the companies and rank them for that.

Profitability: The following table shows points that the sample companies have got for their performance on each of the ratios.

TABLE 14

	Infosys	TCS	Wipro	Tech Mahindra
Gross Profit Margin	2	3	1	4
Net Profit Margin	4	3	2	1
Operating Expenses Ratio	4	3	1	2

The average of all values for each company shows the performance of the company for profitability. We can compare companies on the basis of their average values.

SUMMARY

TABLE 15

Groups	Count	Sum	Average	Variance
Infosys	3	10	3.333	1.333333
TCS	3	9	3	0
Wipro	3	4	1.333	0.333333
Tech Mahindra	3	7	2.333	2.333333

The higher the average value, the higher the profitability of that company. According to this we get following result for profitability.

TABLE 16

Company	Rank
Infosys	1
TCS	2
Tech Mahindra	3
Wipro	4

CONSISTENCY

The following table shows points that the sample companies have got for their performance on each of the ratios.

TABLE 17

	Infosys	TCS	Wipro	Tech Mahindra
Gross Profit Margin	4	1	3	2
Net Profit Margin	4	3	2	1
Operating Expenses Ratio	4	2	3	1

The average of all values for each company shows the performance of the company for consistency. We can compare companies on the basis of their average values.

SUMMARY

TABLE 18

Groups	Count	Sum	Average	Variance
Infosys	3	12	4	0
TCS	3	6	2	1
Wipro	3	8	2.667	0.3333333333
Tech Mahindra	3	4	1.333	0.3333333333

The higher the average value, the higher the consistency of that company. According to this we get following result for consistency.

TABLE 19

Company	Rank
Infosys	1
Wipro	2
TCS	3
Tech Mahindra	4

LIMITATIONS, FINDINGS & CONCLUSION

LIMITATIONS

- The study involves only three years of comparison. So it can only predict the profitable trend for a couple of year, not more than that.
- The value of ratios depends on the definition of ratio and can vary slightly according to its definition in case of different companies.
- The study involves only major players of Information technology sector, not all the companies.

FINDINGS

- Average of Tech Mahindra was the highest among all the companies showing the highest profitability which was followed by TCS & the lowest average Gross Profit was of Wipro.
- Average Net Profit of Infosys was the highest i.e 28.6841 which was the lowest in case of Tech Mahindra i.e Approximately 11%. Whereas TCS showed the average Net Profit of around 22 to 23%.
- The huge gap between average net profit & gross profit in case of Tech Mahindra can visible showing the big burden of operating expenses in the company. The lowest operating ratio is in Infosys showing good control of management over the cost.
- From the analysis and its interpretation we can find out which ratios are more important and which are less important in this particular case.
- Gross Profit Margin, Net profit margin and Operating expenses ratio are more useful in allocating points to the companies for their performance.
- Return on total assets, return on net assets, return on equity and Dividend pay-out ratio are less important in this case so we can't use them for allocating points to the companies as their performance is almost similar on these criteria.

CONCLUSION

- The major players of Information Technology sector shows upwards trend in case of profitability. We can study the performance and rank the companies for its profitability; Infosys secured the first rank & TCS, Tech Mahindra, Wipro followed by the next ranks which are as follows.

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IDENTIFICATION OF TECHNOLOGICAL NEEDS AND PROBLEMS OF POULTRY FARMERS FOR FORMULATION OF RESEARCH AND EXTENSION PROGRAMMES IN ANIMAL HUSBANDRY

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ABSTRACT

A study was conducted to identify the various technological needs and problems of poultry farmers so as to formulate suitable research and extension programmes. The sample for the study was drawn from three categories viz., poultry farmers (42), extension personnel (30) and technology developers (30) in Namakkal district. The data were collected through a well-structured, pre-tested interview schedule in combination with PRA methods. The results revealed that poultry farmers, extension personnel and technology developers had agreement with purchase of feed, feed mixing, feeding and watering. In contrast, formulation of feed, laboratory analysis of ingredients, processing of ingredients and adding growth promoters were the areas in which technology developers and extension personnel agreed while the farmers did not agree. The block magnitude values of different problems in feeds and feeding management of poultry farming showed that farmers gave top priority to technological need so as to overcome poor quality of feed (9607.45) followed by high cost of company feed (4035.07) and feed toxin (2684.38). From the average block magnitude values, discarding poor quality feed, poor quality raw materials, costly (quality) raw materials and costly company feed, heavy investment for own feed and feed toxin were identified as the most important research-technological needs. Poor reach of feed processing technology and lack of awareness of the significance of water analysis were the extension problems.

KEYWORDS

Problems, poultry farmers, poultry farming, Technological needs.

INTRODUCTION

Livestock and poultry farming are considered to be the best tools available for facilitating Integrated Rural Development. In order to eliminate protein hunger; to increase employment opportunities, and to ensure socio-economic transformation, we need to develop, introduce and assimilate cost effective technologies for improving animal husbandry production and productivity, as well as processing, preservation and marketing of the livestock produce to achieve realistic rural development.

NEED AND IMPORTANCE OF STUDY

Technologies emerging out of research should try to mitigate the problems of farmers. Likewise extension programmes should also be relevant to the needs of the farmers. In contrast there are also studies which indicate about poor quality technologies and unsuitable research findings both in developing and developed countries (Cerenea et al., 1985 and Ruttan, 1987). Therefore identifying research / extension priorities are important to draw a strategic research and extension plan (Ministry of agriculture, 2004). To reorient research and development in agriculture and bridge critical gaps community focused participatory methodology is a right approach for need identification (Ellis, 2000). Moreover identifying the technological needs of poultry farmers would provide the necessary insight for the scientists to undertake appropriate research studies. Hence, this study was conducted in Tamil Nadu, India, to identify and assess the technological needs and problems of livestock farmers with special reference to poultry.

STATEMENT OF PROBLEM

Identification of available technologies in poultry farming with special reference to feeds and feeding, finding out the extent of participation of the different members of the family of the poultry farming and estimating the magnitude values of different technological needs and problems of poultry farmers would pave way for formulating viable research projects and need based extension programs in poultry farming.

OBJECTIVES

1. To Prepare an inventory of available technologies to meet the activities of feeds and feeding in poultry farming
2. To find out the extent of participation of different family members in feeds and feeding activities of poultry farming
3. To estimate the magnitude value of technological needs of poultry farmer in feeds and feeding
4. To identify and classify the various technological needs and problems in poultry farming, with regards to feeds and feeding.

HYPOTHESIS

1. H₀: An inventory and technology for different activities and feeding in poultry farming is impossible to prepare.
H₁: An inventory and technology for different activities and feeding in poultry farming can be prepared.
2. H₀: Extent of participation of poultry farmers and their family members in different activities of feeds and feeding cannot be assessed
H₂: Extent of participation of poultry farmers and their family members in different activities of feeds and feeding can be assessed
3. H₀: The technological need and problems of poultry farmers in feeds and feeding are same for various activities
H₃: The technological need and problems of poultry farmers in feeds and feeding are different for various activities
4. H₀: there is no difference in magnitude value and different technology needs in feeds and feeding of poultry farming.
H₄: There is difference in magnitude value and different technology needs in feeds and feeding of poultry farming.

RESEARCH METHODOLOGY

Based on the existence of number of poultry farmers in each village panchayat of the Namakkal block, Namakkal district, Tamil Nadu, India, the poultry farmers were grouped into three categories, depending on the size of their poultry farms, from which ten per cent of the poultry farmers were chosen for the sample by applying the principle of sample proportion to size from each category and thus 42 poultry farmers were selected. A total of 30 each from extension personnels and scientists belonging to various disciplines of poultry science under technology developer category were selected for the study. One key informant from each panchayat was also identified. They were asked to list the poultry farm operations they undertook regarding poultry layer. Later, the activities were classified under various headings of farm management. Then, the list of activities was systematized by getting the opinion of the extension personnel and technology developers.

The available technologies were identified by going through relevant literature and contacting the technology developers, extension personnel and farmers personally. Then, the poultry farm activities were matched with the available technologies. In that way, fourteen technologies were identified and poultry feeds and feed technology inventory was developed. Most of the feeding technologies were identified by asking the technology developers directly, and a few well from published documents.

The respondents were asked to indicate whether the technology available would suffice the particular activity. A score of '1' was assigned for 'Yes' and '0' for 'No'. This is how the technology availability was quantified.

Actual problems can be explored only by asking the person who is involved in the particular activity. To assess the extent of participation, the farmers were asked to indicate the degree to which they were actually involved in each and every activity on a three-point continuum. The three-point continuum is regularly, occasionally and never and assigned a score of 2, 1 and 0 respectively. This formed the index of the extent of participation in each of the activity for a particular respondent.

The selected farmers, extension personnel and technology developers were asked to indicate the difficulties faced by the farmers (otherwise called technological needs / problems). The farmers were then asked to rank these problems based on importance, urgency and magnitude, by requesting them to place dried dropping of goats / sheep / against each problems marked on the ground by mud sketching as done in PRA technique. PRA tools were extensively used for ranking the needs (Ramasubramanian, et.al., 2010) Kare Kirsopp-Reed (1994) suggested that seeds of neem, castor or tamarind, even small stones can also be used to rank the problems. The extension personnel and technology developers were asked to rank the problems on the paper.

The respondents were asked to indicate the extent of the damage which they experienced and the percentage loss assessed by comparing the egg yield from affected and healthy flocks. From this, the Average Production Loss Percentage (APLP) was estimated. The number of birds (NB) in the study area (23.68 lakhs), APLP were multiplied by the appropriate RBQ Magnitude Value ($MV = NB \times APLP \times RBQ$) to get the block magnitude value (B.M.V.), (Sabarathnam, 1988). Finally, Average Block Magnitude Value (ABMV) was calculated from which a priority ranking could be determined.

FINDINGS AND DISCUSSION

I. TECHNOLOGY INVENTORY AND AVAILABILITY

The technology inventory of poultry farming regarding feeds and feeding and the degree to which it suffices the need of the farmer as perceived by the different categories of respondents is given in the table 1. It could be observed from the table 1 which revealed that farmers, technology developers and extension personnel had agreement with purchase of feed, feed mixing, feeding and watering. In contrast, formulation of feed, laboratory analysis of ingredients, processing of ingredients, adding growth promoters were the areas in which technology developers and extension personnel agreed while the farmers did not agree. The reason for disagreement in majority area might be due to the weak extension linkage.

II. PARTICIPATION OF POULTRY FARMER AND THEIR FAMILY IN POULTRY FARMING ACTIVITIES

The extent of participation of farmers in feeds and feeding of poultry is given in the table 2. The results indicate that decision regarding nature of feed (80), feeder and waterer arrangement (77), feed storage (74), feed analysis, feed formulation, purchase of ingredients were the activities in which the dominant participation of head of the family whereas wife, play role feeding and watering (43). The labourers played a major role in feeding and watering in addition to the participation of family members. The Kruskal- Wallis test also indicated that there is significant difference with regard to feeds and feeding activities.

Though women play major role in all other livestock farming activities, here the participation is confined to few activities because the poultry farm activity starts very early in the morning and it will go upto night. Since women cannot leave their home during that time which is considered prime time for them to look after their household activities. Moreover purchase of feed and feed ingredients and laboratory analysis were outside activities where head played major role.

iii. IDENTIFICATION OF TECHNOLOGICAL NEEDS AND PROBLEMS

A. ESTIMATION OF RANK BASED QUOTIENT (RBQ) OF THE IDENTIFIED TECHNOLOGICAL NEEDS AND POULTRY FARMERS

The total scores (number of farmers x importance of problems) and Rank Based Quotient (RBQ) values obtained from different categories of respondents for the selected problems are given in the table 3. It could be understood that under feeds and feeding domain the extension personnel and technology developers perceived the need, feed toxin (64.81 and 68.79) more or less at the same level while costly company feed was perceived as the need by farmers (71.00). Needs like poor quality feed ingredients and improper hand mixing of ingredients caused an average of 8 per cent loss to the farmers.

The respondents identified 15 problems, which were quantified for the purpose of analysis on the basis of the number of respondents who had given the particular rank to each problem. A Rank Based Quotient (Sabarathnam,1988) was then calculated which had been used widely by extension researchers like Ramasubramanian (2003) and Israel (2011)

The reason for this result is in poultry farm management 70 per cent of the cost goes to feed cost. If there is a slight raise in the cost also affect the farmer heavily. Further, poor quality feed ingredients and improper storage leads to toxin which in turn leads to sudden drop in egg production result in heavy loss.

The total scores and Rank Based Quotient (RBQ) values obtained from ranks of the respondents showed that feed toxin was the major problem, followed by costly company feed. Sundershan et al., (1996) also reported similar findings. All other problems had low RBQ values (Table 3).

B. ESTIMATION OF MAGNITUDE VALUE OF THE IDENTIFIED TECHNOLOGY NEEDS OF POULTRY FARMERS

The BMV of different problems of Namakkal block poultry farmers in feeds and feeding management of layer poultry farming are shown in Table 4. The results reveal that farmers gave top priority to technological need so as to overcome poor quality of feed (9607.45) followed by high cost of company feed (4035.07) and feed toxin(2684.38).

The reason for the poor quality of feed is due to non-availability of quality raw materials and improper storage and lack of storage facilities were the reasons for the feed toxin which in turn leads to loss to the farmer. The reason for high cost of company feed is due to purchase of ingredients from other states which involves high transport cost and taxes which leads to the production cost. Hence it receives high magnitude value. This could be solved by proper planning to augment the production of raw material in Tamilnadu to meet the poultry industries demand and to find out unconventional feed materials as a substitute.

The data were subjected to Kendall's co-efficient of concordance test. The result showed that there was no significant agreement among the three types of respondents. This shows that there is lack of linkage among these three important systems.

C. TECHNOLOGY NEEDS TO BE DEVELOPED

The problems considered were divided into priority needs for research and extension. The priority needs for research are those for which no solution or technology is already evolved or requires modification and or improvement in the existing technologies by scientists and the extension needs are those for which the solution or technology those are already there, but not yet percolated to the farmer's level. Fifteen of the 17 problems considered were categorized as research-technological needs and two as extension problems. The identified research needs were again classified under various disciplines.

From the average block magnitude values, discarding poor quality feed, difficulty in discarding poor quality raw materials in own feed preparation, costly (quality) raw materials, costly company feed, heavy investment for own feed and feed toxin were identified as the most important research-technological needs. Poor reach of Feed processing technology and lack of awareness of the significance of water analysis were the extension problems.

RECOMMENDATION AND SUGGESTION

This study would result in developing viable research and extension programs in feeds and feeding of poultry and poultry farming, which would ultimately end up in increase in poultry production.

CONCLUSION

The problems of poultry farmers have been identified through participatory approach. These identified areas can be of considerable value in formulating need based programmes both in research and extension systems and would aid in the development of viable technologies for formulation of effective extension

programmes thereby educate the poultry farmers to minimize the loss in poultry farming. This methodology can also be applied to study the technological needs and problems of other livestock farmers for formulation of research programmes at different disciplinary level in the Veterinary Universities.

SCOPE FOR FUTURE RESEARCH

The methodology could be used for conducting similar studies in other aspects of poultry farming.

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TABLES

TABLE - 1: TECHNOLOGY INVENTORY FOR POULTRY FARMING REGARDING FEEDS AND FEEDING

S. No.	Farm activity	Technology	Meets the requirements as perceived by					
			Poultry farmers n=42		Extension personnel n=30		Technology developers n=30	
			No	%	No	%	No.	%
1	Decision to purchase company feed or reparation of own feed	The technique to purchase of good quality feed from reputed companies	38	90.48	24	80.00	30	100.00
2	If own -formulation of feed	Own feed formulation with prescribed available standards	12	28.60	30	100.00	29	96.67
3.	Purchase of feed ingredients and analysis	Analyzing and purchasing feed ingredients with prescribed available standards	17	40.48	29	96.67	28	93.33
4.	Processing of ingredients	Sun drying of ingredients to make them have 10 per cent moisture and grind them- should be fine (0.22 mm) for chicks.	17	40.50	25	89.33	27	89.99
5.	Feed mixing	Feed should be mixed thoroughly	34	80.90	30	100.00	30	100.00
6.	Adding growth promoters	Use of growth promoters like probiotics, antibiotics and enzymes.	16	38.10	30	100.00	30	100.00
7.	Feed storage	Storage of feed in gunny bags in well ventilated rooms	21	50.00	29	96.67	29	96.67
8	Fungus affected mouldy feed analysis	Procedure of analysing in case of disease affected feed.	27	64.20	30	100.00	30	100.00
9.	Feeding	Feeding is to be done 3-4 times a day at the rate of 40 gms per chick, 50-80 gms per grower, 100-130 gms per layer.	30	71.40	30	100.00	30	100.00
10.	Random weighment of body weight and feeding	weighment of body weight, during growing period - separation of weak birds and giving special feed till getting optimum body weight	7	16.60	25	83.33	29	96.67
11	Watering	Watering to be done 3-4 times a day at the rate of 25-100 ml per chick, 100 - 200 ml per grower, and 200-300ml per layer.	36	85.70	29	96.67	30	100.00
12	Periodical water analysis	Water analysis for salt and microbial content - once in summer and twice in winter.	17	40.50	30	100.00	30	100.00

TABLE - 2: EXTENT OF PARTICIPATION OF POULTRY FARMERS AND THEIR FAMILIES IN FEEDS AND FEEDING ACTIVITIES OF POULTRY FARMING

S.No	Activity	Head	Wife	Others					H-value
				Children	Brother	Mother	Labour	Total	
1	Decision to purchase company feed or preparation of own feed	80	12	8	1	--	--	9	
2	If company feed - purchase of feed	72	5	8	3	--	--	11	
3	If own feed - formulation of feed	29	1	4	4	--	--	11	
4	Purchase of feed ingredients	26	--	4	--	--	--	4	
5	Lab analysis of ingredients	25	--	7	--	--	--	7	
6	Processing of ingredients	21	2	7	--	--	--	7	
7	Feed mixing	20	1	7	1	--	--	8	
8	Adding growth promoters	11	2	2	--	--	--	2	154.88**
9.	Feed Storage	74	21	6	2	--	4	12	
10	Fungus affected mouldy feed analysis	37	--	2	3	--	6	11	
11	Feeder arrangement and feeder space	77	15	6	6	--	3	15	
12	Waterer arrangement and their spacing	77	15	6	6	--	3	15	
13	Feeding	44	43	4	2	2	32	40	
14	Random weighment of body weight and feeding	5	6	--	--	--	10	10	
15	Watering	44	43	6	2	2	32	42	
16	Periodical water analysis	22	--	4	4	--	--	8	

** Significant at 1-% level (Table value at 1-% level: 9.1)

TABLE - 3: RBQ AND AVERAGE LOSS FOR DIFFERENT TECHNOLOGICAL NEEDS AND PROBLEMS AS PER DIFFERENT CATEGORIES OF RESPONDENTS REGARDING FEEDS AND FEEDING

S.No	Technological Needs	Average loss (%)	No. of layer chicken (Lakhs)	Poultry farmers		Extension personnel		Technology developers	
				Total Score	RBQ n=42	Total Score	RBQ n=30	Total Score	RBQ n=30
Research Needs									
1.	Feed Toxin	2.48	23.68	96	45.71	175	64.81	227	68.79
2	Feed wastage by rat	2.97	23.68	18	8.57	--	--	49	14.85
3	Wind blow – feed wastage	2.00	23.68	--	--	41	15.18	--	--
4	Probiotics in feed technology not available	3.00	23.68	--	--	--	--	30	9.10
5	Three tier cage-more feed wastage while feeding, difficult to feed	1.78	23.68	--	--	--	--	--	1.78
6	Poor Feed quality	6.00	23.68	--	--	87	32.22	150	45.46
7	Own Feed - difficulty in discarding poor quality material	2.48	23.68	--	--	87	32.22	182	55.15
8	Quality raw material costly	4.00	23.68	--	--	102	37.78	20	60.60
9	Own feed needs heavy investment	4.00	23.68	2	20.00	129	47.78	86	26.06
10	Company feed costly	2.40	23.68	151	71.00	169	62.59	225	68.18
11	Poor quality feed ingredients	8.00	3.68	18	8.57	--	--	--	--
12	Raw material scarcity and costly	1.42	23.68	48	22.86	--	--	--	--
13	Careless feeding, wastage of feed	1.78	2368	11	5.24	73	27.04	66	20.00
14	Storage – weevil attack	3.00	23.68	--	--	--	--	42	12.72
15	Hand mixing-thorough mixing difficult	8.00	23.68	3	1.43	32	11.85	33	10.00
Extension Needs (Problems)									
1	Feed processing technology not reached	3.07	23.68	--	--	--	--	47	14.24
2	Not aware of the importance of water analysis	0.5	23.68	--	--	52	19.26	--	--

TABLE-4: TECHNOLOGICAL NEEDS AND PROBLEMS OF POULTRY FARMERS REGARDING FEEDS AND FEEDING

S.No	Technological Needs	Estimated Block magnitude value for the Technological Needs as received by			Average (lakhs)
		Poultry farmers (lakhs) n=42	Extension personnel (lakhs) n=30	Technology developers (lakhs) n=30	
I Research Needs					
1.	Poor Feed quality	9607.45	5262.64	6458.96	7109.68
2	Own Feed - difficulty in discarding poor quality material	--	1892.16	7835.71	4863.94
3	Quality raw material costly	--	3578.52	5740.71	4659.28
4	Costly company feed	4035.07	3557.11	3874.81	3822.33
5	heavy investment for own feed	1894.40	6788.58	2468.40	371.13
6	Toxin	2684.38	3330.30	4039.79	3351.49
7	Poor quality feed ingredients	1623.50	--	--	1623.50
8	Hand mixing -thorough mixing difficult	270.90	2244.86	1994.40	1503.39
9	Feed wastage by rat	602.73	--	1044.40	823.56
10	Raw material scarcity	768.68	--	--	768.68
11	Careless feeding, wastage of feed	220.87	1139.75	843.01	734.54
12	Wind blow - feed wastage	--	718.92	--	718.92
13	Probiotics in feed technology not available	--	--	646.46	646.46
14	Three tier cage - more feed wastage while feeding, difficult to feed	--	--	217.08	217.08
15	Storage – weevil attack	--	--	100.40	100.40
II Extension Needs (Problems)					
1	Feed processing technology not reached	--	--	1035.21	1035.21
2	Not aware of the importance of water analysis	--	228.04	--	228.04

Co-efficient of Concordance: W = 0.4518, X 2 Value = 31.17NS. Table value with n-1 degrees of freedom is equal to 35.17 at 5% level.

MARK MODEL FOR IMPROVING THE PERFORMANCE OF TEMPORARY EMPLOYEES IN AUTOMOBILE INDUSTRY

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ABSTRACT

Behavior is a complex element of human existence; it carries certain importance due to the nature of actions, reactions, and the consequences that derive from the two. "Many behaviors are ingrained and operate out of the subconscious based on past experiences and belief systems." Automobile industry strongly believes that an organization's most valued assets are its people who individually and collectively contribute to the achievement of the objectives of the business. Temporary employees allow employers to maintain a cushion of some job security in employment for regular workers. The temporary employees can be let go first in a business or economic downturn. The researcher will explore a simple model for understanding behavior of temporary employees, and its application in the workplace. The MARK model of Motivation, Attitude, Responsiveness Behaviour and knowledge Factors will assist managers in understanding the how and why employees succeed or fail. In order to successfully implement this model and reap the benefits, companies must strive to fulfill all of the four components.

KEYWORDS

Mark model, automobile industry.

INTRODUCTION

Employees have a responsibility to ensure they are aware of, and comply with, the standards of behavior expected of them. Organizations, through their managers, have a responsibility to support employees in meeting their obligations and take appropriate action, if necessary, to address behavior that falls short of the expected standards. The concern about an employee is classified as unsatisfactory performance or misconduct, any action taken to address that concern will always focus on the employee's behavior. The desired outcome is for the relevant behavior to cease or improve and not to re-occur. Where the seriousness of the behavior warrants, this may require the termination of the employment relationship – but these cases tend to be the exception, rather than the rule. In all other cases (that is, where the employment relationship is expected to continue), the objective should be aimed at positively influencing the employee's future behavior. It is important to start with this objective in mind.

RESEARCH REVIEW

"Effects of anticipated job loss on employee behavior", Robert Hershey, (June 1972), Compared the behavior (i.e., productivity, absenteeism, and lateness) of 100 employees who knew that they were to be laid off or not laid off. No significant changes in the absenteeism, lateness, or production were found in either group during the 3-mo period.

"Modeling influences on employee behavior", Sims, Henry P.; Manz, Charles C., (Jan 1982), Discusses how modeling has been shown to be an important influence by which employees learn new behaviors. For modeling to succeed, the sub processes of attention, retention, reproduction, and motivation must occur. Models with high status have a higher probability of being imitated. Rehearsal can enhance retention of modeled behaviors, particularly if the behaviors are within the observer's capability and lead to incentives. The critical elements of a managerial leadership training program that uses modeling techniques include observation of models, behavioral rehearsal, feedback, social reinforcement, and transfer of training.

"Change and employee behavior", René Schalk, Jennifer W. Campbell, Charissa Freese, (1988), In this study the relationship between perceived change implementation in an organization is related to employee self-rated behaviour. The change implementation processes measured were communication, support and participation. The relationship between these processes and employee behaviour was examined by testing a theoretical model, in which two mediating concepts are used: the psychological contract and employee job attitudes. The research was carried out in two main divisions of a large telecommunications firm on a sample of 220 employees. The theoretical model (perceived change implementation influencing the psychological contract, influencing employee attitudes, influencing employee behaviour) had a better fit with the data, compared to alternative models.

"The Relationship between Work Setting and Employee Behaviour: A Study of a Critical Linkage in the Organizational Change Process", Peter J. Robertson, (1994), It is argued that the behaviour of organizational members is influenced to a large extent by characteristics of their work settings. Furthermore, since individuals must change their behaviour in order for organizational improvement to occur, planned organizational change can be viewed as an attempt to change organizational work setting characteristics such that individuals will adopt new, desirable behaviours. Based on these premises, explores the relationship between organizational work settings and behaviour. In particular, three work setting features that are often the target of intervention activity – goals, managerial behaviour, and job designs – are examined regarding their relationships with a set of employee behaviours relevant to planned organizational change and, potentially, organizational performance. Only goals demonstrate a significant relationship with the frequency of these behaviours. Furthermore, the three work setting variables do not appear to have an interactive effect on behaviour. Consistency in behaviour is found to be related to the extent to which important dimensions of the work setting variables are congruent with each other. Implications for future research are discussed.

"Influences on Employee Behavior", Werner & DeSimone, (2007), A Model of Employee Behavior

External Influences: From the external environment & In the work environment: Outcomes, Supervision and leadership, Organization, Reward structure, Culture, Job design, Co-workers and teams

Internal Influences: Motivation, Attitudes, Knowledge, Skills and Attitude (KSAs)

"Building behavior model of temporary employees considered feeling and commitment", Koki Miura, (2009), There is the relation to the temporary employer's commitment and behavior though it is not a lot. For the model of a good behavior, moreover, positive emotion of delight and pleasure was similar and negative emotion of anger and sorrow was similar though it was a few differences. For the model of a bad behavior, common parts etc. were seen though each model was different. Moreover, the tendency to the relation of the behavior was seen from all models. In the commitment of a good behavior model, "Obsessiveness with store" and "Worthwhile job" were related a lot of behaviors, and it is thought that improving these factors leads to the promotion of good behavior of the employee. For the model of a bad behavior, "Worthwhile job" was related to bad behavior in all emotions. Hence forth, a bad behavior is made to be controlled

by improving the attachment and the responsibility to work and it is likely to be able to make a good behavior promoted. However, there are a few relations to commitment and behavior in all models. However, it is true that the temporary employees take a good and a bad behavior from an interview and a questionnaire. Other factors like responsibility, a sense of mission, and the obligation, etc. might be related to this from the difference of the professionalism to work.

STATEMENT OF PROBLEM

Human resource is an asset never disclosed in a company's balance sheet. Indian automobile industry strongly believes that an organization's most valued assets are its people who individually and collectively contribute to the achievement of the objectives of the business. Keeping this in mind, management style lays great emphasis on employee involvement and actively encourages participation and commitment through Small Group Activities (SGA), Suggestion Schemes, Voluntary Work Teams and the like.

A highly visible culture of Commitment, backed up by Discipline & Positive Attitude prevails across the organization.

Employee Performance = [Knowledge + skill] X [Will]

Temporary employees allow employers to maintain a cushion of some job security in employment for regular workers. The temporary employees can be let go first in a business or economic downturn. Temporary employees work part or full-time. They rarely receive benefits or the job security afforded regular staff. A temporary assignment can end at any time depending on the employer's needs. In other ways, temporary employees are often treated like regular employees and attend company meetings and events.

What's true for all of us is that we each have a reason for behaving the way we do. The reasons may be unknown but they are powerful drivers of behavior. The unique set of life experiences forms the basis of these reasons. The researcher will explore a simple model for understanding behavior of temporary employees, and its application in the workplace. Hence an attempt is made to **"Build Behaviour Model for Temporary Employees in Automobile Industry"**

OBJECTIVES OF THE STUDY

1. To develop a behavior model for the temporary employees of Automobile industry
2. To measure the work related values and factors that impede the performance of temporary employees
3. To ensure the performance expectation from temporary employees of Automobile industry

RESEARCH METHODOLOGY

The present study is based on survey method. It is adopted to find the opinion of the temporary employees from few automobile companies in and around Chennai City. The primary data was collected from the various units such as alternator product unit, commercial starter product unit, car starter unit, wiper unit, distributor unit, export product unit, plating shop heat treatment unit, R & D and proving unit, product machine tool centre, claw area, sheet metal preparation and service support units of few automobile companies in Chennai. The reliability of the questionnaire was found to be 0.920 and the total numbers of questions were 38. The Cronbach's alpha value for each question was found to be positive and the score of the test for tool was above 0.6, so the questionnaire was found to be reliable. The sample size has been decided as 248 from the population of 1650 using simple random technique. 15% of employees from each department were selected randomly out of 1650 employees. But out of 248 selected employees, only 233 employees responded to the final phase of data collection. For the final processing of data, 233 temporary employees' opinions were taken into consideration.

MEASUREMENT OF VARIABLES

The central theme of the study is building behaviour model for temporary employees in automobile industry. The dependent variable in the study is increase in performance level of temporary employees. The independent variables, which influence the depended variables in the study, are as follows:

TABLE 1

Work knowledge	Team Work
Motivation	Commitment
Organizational Culture	Management Effectiveness
Co-Workers	Rewards & Recognition
Environment	

RESULTS AND DISCUSSIONS

Out of 233 temporary employees taken for the study, 70.8% of the employees are in the age group of 22 to 24 and 29.2% of the employees are in the age group of above 24 and 22.3% of the employees are in the age group of 19 to 21.

It was inferred from the paired t test that there is a significant difference between training given in the area of work and increase in performance after training also there is a significant difference between the willingness to put extra effort and job satisfaction

It was inferred from the paired t test that there is a significant difference between the superior support and meeting the work schedules every day. Depending upon the superior support the temporary employees met their work schedule every day. It will vary from superior to superior.

From the Wilcoxon Signed Ranks Test it was inferred that there is no significant difference between the sharing of work and support of Co-workers & no significant difference between the willingness to work hard and job satisfaction

From the Friedman test it was inferred that the work knowledge of the temporary workers with respect to various dimensions of work knowledge is significantly different. The outcome of the result shows that the work knowledge of the temporary workers is not the same in all dimensions of work knowledge.

From the Friedman test it was inferred that the motivation of the temporary workers with respect to various dimensions of motivation is significantly different. The outcome of the result shows that the motivation of the temporary workers is not the same in all dimensions of motivation.

PEARSON CORRELATION

Correlation is a statistical technique that can show whether and how strongly pairs of variables are related. The value of -1.00 represents a perfect negative correlation while a value of +1.00 represents a perfect positive correlation.

TABLE 2

Factors		Work knowledge	Motivation	Organization Culture	Team work	Management Effectiveness
Work knowledge	Correlation Sig (2-tailed) N	1 .000 233	.562(**) .000 233	.521(**) .000 233	.277(**) .000 233	.444(**) .000 233
Motivation	Correlation Sig (2-tailed) N	.562(**) .000 233	1 .000 233	.575(**) .000 233	.314(**) .000 233	.459(**) .000 233
Organization Culture	Correlation Sig (2-tailed) N	.521(**) .000 233	.575(**) .000 233	1 .000 233	.416(**) .000 233	.574(**) .000 233
Team work	Correlation Sig (2-tailed) N	.277(**) .000 233	.314(**) .000 233	.416(**) .000 233	1 .000 233	.466(**) .000 233
Management Effectiveness	Correlation Sig (2-tailed) N	.444(**) .000 233	.459(**) .000 233	.574(**) .000 233	.466(**) .000 233	1

The correlation coefficient has been determined to be statistically significant. It simply tests the null hypothesis that there is no relationship. By rejecting the null hypothesis it is accepted the alternative hypothesis that states that there is a relationship between work knowledge, Motivation, Organizational Culture, Team work and Management Effectiveness.

MULTIPLE REGRESSION

In this study the researcher tried to explain the variation of increase in performance level based on the variation in performance evaluation dimensions.

The variables are explained below:

1. Dependant Variable : Increase in Performance Level
2. Independent Variable :

Work knowledge X1, Motivation X2, Organizational Culture X3, Co-Workers X4, Environment X5, Team Work X6, Commitment X7, Management Effectiveness X8, Rewards & Recognition X9

3. R Square Value : 0.396
4. F Value : 16.238
5. P Value : 0.000**

MULTIPLE REGRESSIONS

TABLE 3

Variables	Coeff B	SE of B	Beta	t Value	P Value
X1	0.021	0.025	0.58	0.830	0.407
X2	0.066	0.018	0.271	3.668	0.000**
X3	0.001	0.022	0.003	0.034	0.973
X4	- 0.039	0.020	- 0.120	- 1.974	0.050
X5	0.050	0.039	0.114	1.276	0.203
X6	0.000	0.021	0.000	0.005	0.996
X7	0.066	0.024	0.176	2.765	0.006
X8	0.034	0.016	0.173	2.132	0.034
X9	0.016	0.022	0.061	0.737	0.462
Constant	0.558	0.554		1.007	0.315

$$Y = 0.558 + 0.021 x_1 + 0.066 x_2 + 0.001x_3 - 0.039 x_4 + 0.050 x_5 + 0.000 x_6 + 0.066 x_7 + 0.034 x_8 + 0.016 x_9$$

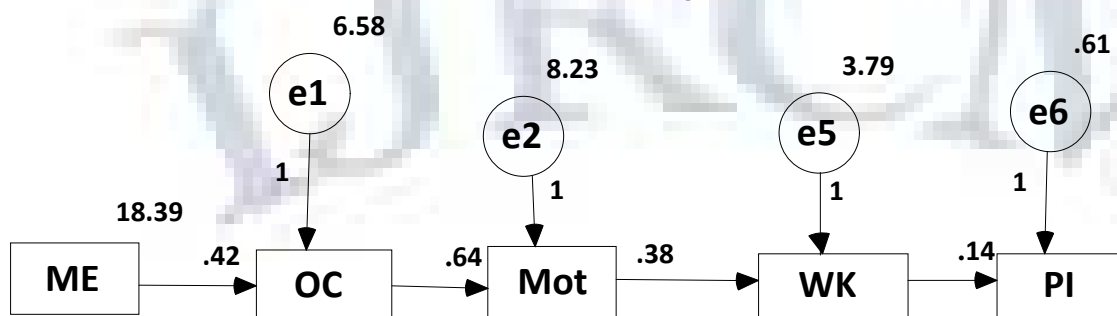
It was inferred that the independent variables such as x₁, x₂, x₃, x₅, x₆, x₇, x₈, x₉ (Work knowledge, Motivation, Organizational Culture, Environment, Team Work, Commitment, Management Effectiveness, Rewards & Recognition) represent the partial effect on increase in performance level, holding other dimensions of independent variable constant. The independent variables such as x₄ (Co-workers) represent the partial effect decrease in performance, holding other dimensions of independent variables constant.

STRUCTURAL EQUATION MODELS

Structural equation models (SEMs), also called simultaneous equation models, are multivariate (i.e., multiequation) regression models. Unlike the more traditional multivariate linear model, however, the response variable in one regression equation in an SEM may appear as a predictor in another equation; indeed, variables in an SEM may influence one-another reciprocally, either directly or through other variables as intermediaries. These structural equations are meant to represent causal relationships among the variables in the model.

STRUCTURAL EQUATION MODEL

FIG. 1



- ME – Management Effectiveness
- OC – Organization Culture
- Mot – Motivation
- WK – Work Knowledge
- PI – Performance Improvement

ENDOGENOUS VARIABLES (DEPENDENT VARIABLE)

- Organization Culture
- Motivation
- Work Knowledge
- Performance Improvement

EXOGENOUS VARIABLES (INDEPENDENT VARIABLE)

- Management Effectiveness

VARIABLE COUNTS

Number of variables in your model	9
Number of observed variables	5
Number of unobserved variables	4
Number of exogenous variables	5
Number of endogenous variables	4

VARIABLES OBSERVED FOR THE SEM MODEL

TABLE 4

Increase in Performance Level	q3	Environment	d5
Work knowledge	d1	Team Work	d6
Motivation	d2	Commitment	d7
Organizational Culture	d3	Management Effectiveness	d8
Co-Workers	d4	Rewards & Recognition	d9

TABLE 5

REGRESSION WEIGHTS: (GROUP NUMBER 1 - DEFAULT MODEL)

	Estimate	S.E	C.R	P
d3_tot <--- d8_tot OC <--- ME	.419	.039	10.678	***
d2_tot <--- d3_tot Mot <--- OC	.643	.060	10.700	***
d1_tot <--- d2_tot WK <--- Mot	.378	.036	10.357	***
q3 <--- d1_tot PI <--- WK	.144	.022	6.591	***

TABLE 6

VARIANCES: (GROUP NUMBER 1 - DEFAULT MODEL)

	Estimate	S.E	C.R	P
d8_tot	18.395	1.708	10.770	***
e 1	6.579	.611	10.770	***
e 2	8.228	.764	10.770	***
e 5	3.792	.352	10.770	***
e 6	.613	.057	10.770	***

- | | |
|--|---------|
| 1. CMIN (Chi Square in Amos) | 100.089 |
| 2. P Value | .000 |
| 3. GFI (Goodness of Fit Index) | .874 |
| 4. CFI (Comparative Fit Index) | .867 |
| 5. RMR (Root Mean Square Residual Index) | 1.052 |
| 6. RMSEA (Root Mean Square Error of Approximation) | .098 |

The structural equation model developed in this study is partially fit; The P value for this model is 0.000. So it is significant. The GFI value is .874, shows the model is good fit, in this model CFI value is .867, shows that the model is partially fit and in this model RMSEA value is .098, shows that the model is mediocre fit.

SUGGESTIONS & RECOMMENDATIONS

Motivation is the internal influence affecting employees' actions. Employers must meet the intrinsic needs of associates to fully capitalize on the motivation element. In order to accomplish the job, temporary employees must have the necessary abilities. Managers are responsible for ensuring their temporary employees receive the required training and skills to be successful.

Another critical function of the ability element is to place temporary employees in positions that will effectively utilize their talents.

Temporary Employees must have a clear understanding of where they fit in the organization and how they contribute to the overall mission.

Comprehensive job descriptions with clear expectations will aid the associate in understanding the role-perception element.

There are many ways that one can measure the morale of the employees and it is important to do so from time to time to keep a check on the management of employee behaviour. This can be done through attitude questionnaires, opinion polls, unstructured interviews and focus groups.

Changing an employee's mindset will produce far more positive results than merely getting angry or applying disciplinary action. Of course, if this methodology proves to be ineffective, you may have to take stronger action, but give it a chance to work. Just like the person with an addiction, the path to successfully overcoming detrimental behaviour patterns must include a change in thought processes.

The company may develop engaged employees. The management must provide them with adequate information. It is always a good idea to ask for their input before deciding on the best course of action and then ensure that they have the tools at their disposal to allow this behaviour to occur. Finally, the management must incentivize workers to perform at their optimum. If there is nothing in it for them, employees have little reason to motivate themselves.

MARK (MOTIVATION, ATTITUDE, RESPONSIVENESS BEHAVIOUR, KNOWLEDGE) MODEL FOR IMPROVING THE PERFORMANCE OF TEMPORARY EMPLOYEES IN AUTOMOBILE INDUSTRY

MOTIVATION

The job of a manager in the workplace is to get things done through employees. To do this the manager should be able to motivate employees. An understanding and appreciation of this is a prerequisite to effective employee motivation in the workplace and therefore effective management and leadership

ATTITUDE

We are often hesitant to set standards for good work attitudes and discipline employees for having bad ones. Companies should incorporate this attitude standard into a general workplace policy, share it as part of overall performance expectations and encourage supervisors, to hold all employees accountable for their attitudes as a critical part of performance evaluations.

RESPONSIVENESS BEHAVIOUR

The responsiveness behavior in organization is approached formed for influencing people and work hand to hand. The responsive employee tends to succeed by building bonds of respect and trust with those around him. They work more diligently, work to help the manager and the organization succeed, and will go the extra mile when necessary. That is because responsiveness acts consistent with the principles that perform the job better.

KNOWLEDGE

The companies recognized that front line assembly workers on the factory floor - the antithesis of a conventional view of "knowledge workers"--were in fact essential to performance improvement for the broader firm. In encouraging and supporting problem-solving by these employees, the auto makers were able to give their work new meaning and unleashed much more passion on the factory floor.

CONCLUSION

Today's increasingly competitive business world means a highly motivated work force is vital for any organization seeking to achieve good results. Therefore, to manage employee behaviour, it is important to know how to motivate them so that you can obtain your full support from them. It is very important to understand and recognize the needs of the employees. A lot of changes are happening in the organization. But management has a new attitude, changes are occurring, and things are getting better. However, the organization's success depends on employees being loyal, dedicated, and devoted.

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EXPLORING THE FACTORS FOR CHANNEL SATISFACTION AMONG EMPLOYEES IN INDIAN RETAIL

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ABSTRACT

This paper talks about channel and employees satisfaction in Indian retail. Employees and channel satisfaction as an important part in achieving the customer satisfaction in Indian retail. As customer satisfaction and customer retention is an important part of Indian retail success. So this paper talks about the important aspects of employees and channel satisfaction for the growth of Indian retail.

KEYWORDS

Channel, Satisfaction, Employee Satisfaction, Business Performance etc.

INTRODUCTION

In this environment of globalization, competition is increasing day by day. Now a day's customer is having a lot of choices in terms of prices as well as in terms of the quality of products and services. Studies showed that have been conducted, findings regarding a link between employee channel satisfaction and customer satisfaction showing a satisfaction level in the business outcomes of the retail stores.

A trade channel is defined as the route along which goods move from producers or manufacturers to ultimate consumers. In other words, it is a distribution network through which producer sells his products in the market. A channel consists of producers, consumers and the various middlemen like wholesalers, and retailers (dealers) who intervene between the producers and consumers. Hence a channel serves to bridge the gap between the point of production and the point of consumption thereby creating time, place and possession utilities (*Business.gov.in*).

A channel of distribution consists of three types of flows:-

- 1) Downward flow of goods from producers to consumers
- 2) Upward flow of cash payments for goods from consumers to producers
- 3) Flow of marketing information in both downward and upward direction.

An entrepreneur has a number of alternative channels available to him for distributing his products. These channels vary in the number and types of middlemen involved. Some channels are short and directly link producers with customers. Whereas other channels are long and indirectly link the two through one or more middlemen.

These channels of distribution are broadly divided into four types:

- **Producer-Customer**:- This is the simplest and shortest channel in which no middlemen is involved and producers directly sell their products to the end consumers. Hence in this minimum cost is involved.
- **Producer-Retailer-Customer**: In this channel of distribution involves one middlemen called 'retailer'. In this the producer sells his products to retailers finally sell these products to the final customers.
- **Producer-Wholesaler-Retailer-Customer**: In this type of distribution two middlemen i.e. wholesalers and retailers are involved. Here, the products first go to the wholesalers and then to the final retailers.
- **Producer-Distributor-Wholesaler-Retailer-Customer**: This is the type of distribution in which three middlemen are involved. Here the producer first sells the products to the distributor which sells it to wholesalers and then wholesalers sells it to retailers and then retailers finally sells it to the final consumers.

REVIEW OF LITERATURE

From the review of literature it was found that a link between employee satisfaction and customer satisfaction (referred to as the "satisfaction-mirror") and a link between employee satisfaction and business outcomes are mixed (Kamakura et al. (2002).

Loveman (1998) in a study of a Mid-western US retail bank, found the links between employee satisfaction and customer satisfaction. A similar finding was reported in a recent study by Gelade and Young (2005) using data from the retail banking sector. Silvestro and Cross (2000) and Silvestro (2002) found the link between employee satisfaction and business performance. The study also showing that employee channel satisfaction is very important in meeting the customer satisfaction as well as business performance. As Per Patriot (2008) found that customer satisfaction is the ability of the business to satisfy the business, emotional as well as psychological needs of the customers. Now Hunt (1977) defined the customer satisfaction as the experience of the customer as good as it was expected. By Rust and Zahorik (1993) found from the research that service quality, customer satisfaction and customer relationships leads to profitability and increased market share. It was also found that there exists a strong link between service quality and overall customer satisfaction (Anderson and Sullivan, 1993). Hence it becomes important to understand the channel level satisfaction to meet the business performance and customer satisfaction.

OBJECTIVES OF THE STUDY

The following objectives of the study have been identified.

- 1) To explore the various factors for employees channel satisfaction in Indian retail.
- 2) To compare the Employee Channel satisfaction among the various regions.
- 3) To check the various factors for employees channel satisfaction in retail stores.

RESEARCH METHODOLOGY USED

This study is conducted to find out the employees satisfaction level in and around Delhi. A sample size of 150 employees working at various levels at various retail stores was chosen and 123 filled in questionnaire were received giving a response rate of 82% in total. The data collected was analyzed through descriptive statistics and factor analysis, etc. being used in the study. The scale used in this study was developed by Ruekert and Churchill in 1984 and the name of the scale is Satisfaction-Channel Satisfaction: Satind and Satdir.

DATA ANALYSIS AND DATA INTERPRETATION

The data is analyzed in descriptive as well as with statistical methods.

TABLE (1.0)

Various Regions					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Delhi	44	35.8	35.8	35.8
	Haryana	40	32.5	32.5	68.3
	U.P.	39	31.7	31.7	100.0
	Total	123	100.0	100.0	

From the table(1.0), it is found that there were 123 employees in total selected for this study, in which 44 employees from Delhi region, 40 employees from Haryana and 39 employees from U.P. (Noida & Ghaziabad) selected for this study.

TABLE (1.1)

Your Age					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	20-to-25 years	34	27.6	27.6	27.6
	25-to-35 years	74	60.2	60.2	87.8
	35-to-45 years	15	12.2	12.2	100.0
	Total	123	100.0	100.0	

From the table (1.1), it is found that there were 123 employees in total selected for this study, in which 34 employees were falling in the age group of 20-to-25 years, 74 employees in the age group of 25-to-35 years and rest 15 were in the age group of 35-to-45 years. Hence from this we can say that most of the employees working in the age group of 25-to-35 years.

TABLE (1.2)

Gender					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	108	87.8	87.8	87.8
	Female	15	12.2	12.2	100.0
	Total	123	100.0	100.0	

From the table (1.2), it is found that there were 123 employees in total selected for this study; in which 108 employees are male members and rest 15 are female. Hence from this we can say that most of the employees working are male members in retail outlets.

TABLE (1.3)

Education Level					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Matriculation	17	13.8	13.8	13.8
	Diploma	13	10.6	10.6	24.4
	Degree	46	37.4	37.4	61.8
	Master Degree	47	38.2	38.2	100.0
	Total	123	100.0	100.0	

From the table(1.3), it is found that there were 123 employees in total selected for this study, in which 17 employees were matriculate, 13 were diploma holders, 46 were graduate and rest 47 were having a master degree like MBA, M.Com, M.A. etc. Hence from this we can say that most of the employees were graduates and postgraduates in various retail stores.

TABLE (1.4)

Your Monthly Income Category					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Up-To-15,000	78	63.4	63.4	63.4
	15,001-to-30,000	23	18.7	18.7	82.1
	30,001-to-45,000	15	12.2	12.2	94.3
	45,001-to-60,000	7	5.7	5.7	100.0
	Total	123	100.0	100.0	

From the table (1.4), it is found that 78 employees were having an income up-to Rs. 15000/per month which is followed by 23 employees in the income group between Rs. 15001-to-30,000 and next it was followed by 15 employees in the income group between Rs. 30001-to-45,000 and rest 07 were in the income group between Rs. 45001-to-60,000 per month. Hence from this we can say that most of the employees were in the low salary group.

TABLE (1.5)

Marital Status					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Married	72	58.5	58.5	58.5
	Single	51	41.5	41.5	100.0
	Total	123	100.0	100.0	

From the table (1.5) it is found that out of 123 employees in total, 72 were married and 51 were single in their marital status. Hence we can say that married people are employed more in comparison to single in various retail stores.

TABLE (1.6)

Working As					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	As Salesman	34	27.6	27.6	27.6
	First level managers	63	51.2	51.2	78.9
	Second level managers	26	21.1	21.1	100.0
	Total	123	100.0	100.0	

From the table (1.6), we can say that there were 63 employees working as first level managers which is being followed by 34 employees as salesmen and further 26 employees were at the position of second level managers like store managers, assistant store managers, marketing managers as well as area managers. Hence from this we can say that most of the employees were working as salesmen in the various retail stores.

TABLE (1.7)

Duration of your service with the store					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less than 1 year	62	50.4	50.4	50.4
	1-to-5 years	61	49.6	49.6	100.0
	More than 5 years	00	00	00	100.0
	Total	123	100.0	100.0	

From the table (1.7), it is found that 62 people were working less than one year and 61 people were working more than one year but less than five year and no employee was found working for more than five years.

TABLE (1.8)

Communalities		
	Initial	Extraction
My manufacturer's sales representative is not well organized	1.000	.938
My manufacturer's sales representative does not know his products well	1.000	.878
Manufacturer's sales are helpful	1.000	.908
Manufacturer's sales representative has my best interest in mind when they make a suggestion	1.000	.979
My manufacturer's sales representative is always willing to help me if I get into a tight spot	1.000	.922
Manufacturer's products are asked for by our customers	1.000	.988
Manufacturer's products are a good growth opportunity for my firm	1.000	.905
Manufacturer's products are not well known by my customers	1.000	.937
My customers are willing to pay more for manufacturer's products	1.000	.933
I would have a difficult time replacing manufacturer's products with similar products	1.000	.971
Manufacturer's products perform much better than their competition	1.000	.890
Manufacturer's everyday margins are lower than industry margins	1.000	.904
Manufacturer provides very competitive margins on their products	1.000	.831
There is a poor return for space I devote to manufacturer's products	1.000	.904
Some of the manufacturer's products are not worth carrying because their margins are too small	1.000	.970
I am very happy with the margins I receive on manufacturer's products	1.000	.962
Manufacturer should have better cooperative advertising program	1.000	.955
Manufacturer should have better cooperative advertising allowances	1.000	.874
Manufacturer conducts excellent consumer promotions	1.000	.940
Manufacturer provides adequate promotional support for their products	1.000	.911
Manufacturer provides excellent point-of-purchase displays	1.000	.966
Personal dealings with manufacturer's sales representatives	1.000	.936
Assistance in managing your inventory of manufacturer's products	1.000	.977
Order handling by manufacturer	1.000	.951
Manufacturer's handling of damaged merchandise	1.000	.833
The quality of manufacturer's products	1.000	.875
Income received from the sale of manufacturer's products	1.000	.938
Everyday margins on manufacturer's products	1.000	.881
Manufacturer credit policies	1.000	.992
Manufacturer's national advertising support	1.000	.868
Manufacturer's cooperative advertising support	1.000	.947
Consumer promotion support by manufacturer (coupons, rebates, displays)	1.000	.928
Off-invoices promotional allowances	1.000	.932
How promotional payments are made	1.000	.938
Order handling by manufacturer	1.000	.891
Level of backorders of manufacturer's products	1.000	.789
Speed of delivery of manufacturer's products	1.000	.936
I would recommend manufacturer's products to others who seek my advice	1.000	.860
Given other alternatives, will you continue to work with this outlet	1.000	.905
Extraction Method: Principal Component Analysis.		

From the table (1.8), we can interpret the communality extracted from the above variables in the table.

TABLE (1.9)

Total Variance Explained							
Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	
1	8.680	22.257	22.257	8.680	22.257	22.257	
2	7.762	19.904	42.160	7.762	19.904	42.160	
3	5.462	14.006	56.167	5.462	14.006	56.167	
4	4.920	12.615	68.781	4.920	12.615	68.781	
5	3.115	7.986	76.768	3.115	7.986	76.768	
6	2.840	7.282	84.049	2.840	7.282	84.049	
7	1.917	4.914	88.964	1.917	4.914	88.964	
8	1.152	2.953	91.917	1.152	2.953	91.917	

Extraction Method: Principal Component Analysis.

From the table (1.9), we can say that there are eight components extracted in total and these are explaining a total variance of 91.91% of the employees satisfaction scale. It is further represented as the 22.25% of the variance explained by the first component and 19.90% by the 2nd component in the table. And this way, as we go on the eight components is explaining a variance of 2.95% in the above table. Hence from this we can say that the total variance explained by the different components is quite satisfactory.

TABLE (2.1)

Rotated Component Matrix	Component							
	1	2	3	4	5	6	7	8
I am very happy with the margins I receive on manufacturer's products	.906							
Manufacturer provides excellent point-of-purchase displays	.879							
Personal dealings with manufacturer's sales representatives	.858							
Manufacturer conducts excellent consumer promotions	.846							
Manufacturer's everyday margins are lower than industry margins	.727							
Manufacturer's national advertising support	.685							
Manufacturer provides very competitive margins on their products	.674							
The quality of manufacturer's products	.627							
Manufacturer's products are a good growth opportunity for my firm		.891						
Consumer promotion support by manufacturer (coupons, rebates, displays)		.886						
My manufacturer's sales representative is always willing to help me if i get into a tight spot		.845						
Manufacturer should have better cooperative advertising allowances		.829						
Given other alternatives, will you continue to work with this outlet		.628						
Order handling by manufacturer			.895					
Speed of delivery of manufacturer's products			.890					
Off-invoices promotional allowances			.818					
I would recommend manufacturer's products to others who seek my advice			.737					
Manufacturer provides adequate promotional support for their products				.476				
My customers are willing to pay more for manufacturer's products		.475						
Some of the manufacturer's products are not worth carrying because their margins are too small				.888				
Assistance in managing your inventory of manufacturer's products				.808				
My manufacturer's sales representative is not well organized				.777				
Level of backorders of manufacturer's products				.754				
Manufacturer's handling of damaged merchandise				.597				
Manufacturer credit policies				.580				
Manufacturer's sales representative has my best interest in mind when they make a suggestion					.836			
Manufacturer's cooperative advertising support					.801			
How promotional payments are made		.444						
Manufacturer's sales are helpful					.721			
Manufacturer's products are asked for by our customers					.557			
There is a poor return for space I devote to manufacturer's products						.882		
I would have a difficult time replacing manufacturer's products with similar products						.805		
Manufacturer should have better cooperative advertising program		.519						
Everyday margins on manufacturer's products							.679	
Manufacturer's products perform much better than their competition							.625	
Income received from the sale of manufacturer's products							.590	
Order handling by manufacturer			.499					
My manufacturer's sales representative does not know his products well							.494	
Manufacturer's products are not well known by my customers								.550

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 24 iterations.

From the above table (2.1) we can say that there are 8 components extracted in total. The first component contains eight variables. The 2nd component contains also contains eight variables. The third component contains 05 variables. The fourth component contains 07 variables. The fifth component contains 04 variables. The sixth component contains 02 variables. The seventh Component contains 04 variables and the eighth component contains one variable. Hence these way eighth factors have been extracted.

TABLE (2.2)

ANOVA		Sum of Squares	Df	Mean Square	F	Sig.
Manufacturer's sales are helpful	Between Groups	4.939	2	2.470	3.922	.022
	Within Groups	75.565	120	.630		
	Total	80.504	122			
Income received from the sale of manufacturer's products	Between Groups	4.347	2	2.173	2.926	.058
	Within Groups	87.653	118	.743		
	Total	92.000	120			
Everyday margins on manufacturer's products	Between Groups	2.524	2	1.262	3.592	.031
	Within Groups	42.159	120	.351		
	Total	44.683	122			
How promotional payments are made	Between Groups	5.767	2	2.884	3.704	.027
	Within Groups	93.420	120	.778		
	Total	99.187	122			
Speed of delivery of manufacturer's products	Between Groups	15.885	2	7.943	4.779	.010
	Within Groups	196.115	118	1.662		
	Total	212.000	120			

By applying ANOVA it was found that there exists a significant difference among the above variables in Delhi, Haryana (Gurgaon & Faridabad) and U.P. (Noida & Ghaziabad) regions.

FINDINGS AND SUGGESTIONS OF THE STUDY

From the above analysis the following findings and suggestions have been suggested.

- 1) It is found from the study that there were 123 employees in total, in which 44 employees from Delhi region, 40 employees from Haryana and 39 employees from U.P. (Noida & Ghaziabad) selected for this study.
- 2) It is also found that there were 123 employees in total selected for this study; in which 108 employees are male members and rest 15 are female. Hence from this we can say that most of the employees working are male members in retail outlets. Hence in formulating the employee's policy matters it should be targeted to understand and to satisfy the male member needs more in comparison to female employees which will be helpful in improving the channel satisfaction level.
- 3) From the analysis it is found that 17 employees were matriculate, 13 were diploma holders, 46 were graduate and rests 47 were having a master degree like MBA, M.Com, M.A. etc. Hence from this we can say that most of the employees were graduates and postgraduates in various retail stores. Hence employees need to be understood by understanding their education level in the store.
- 4) From the data analysis it is found that 78 employees were having an income up-to Rs. 15000/per month which is followed by 23 employees in the income group between Rs. 15001-to-30,000 and next it was followed by 15 employees in the income group between Rs. 30001-to-45,000 and rest 07 were in the income group between Rs. 45001-to-60,000 per month. Hence from this we can say that most of the employees were in the low salary group. Hence to satisfy the employees it is strongly recommended to increase their salary from the present level which is very low and it will further improve the channel satisfaction level.
- 5) From the data analysis it is found that out of 123 employees in total, 72 were married and 51 were single in their marital status. Hence we can say that married people are employed more in comparison to single in various retail stores. Now the need to increase the employee's satisfaction level by providing the facilities which satisfy their family need like by giving discounts on their purchase for their family. By this way it will contribute in improving employee channel satisfaction level.
- 6) From the data analysis we can say that there were 63 employees working as first level managers which is being followed by 34 employees as salesmen and further 26 employees were at the position of second level managers like store managers, assistant store managers, marketing managers as well as area managers. Hence from this we can say that most of the employees were working as salesmen in the various retail stores. Hence there is a strong need to satisfy the salesmen which are more in number by giving them suitable incentives and it will be helpful in imparting employee satisfaction which will contribute to employee channel satisfaction as well as customer satisfaction.
- 7) It is found that 62 people were working less than one year and 61 people were working more than one year but less than five year and no employee was found working for more than five years. Hence from this we can say that employees are changing very fastly. Hence salary and timing of job are one of the major reasons as suggested by the employees who should be increased to satisfy the employee's needs.
- 8) As it was found from the data analysis that there were eight components in total and the first components is having the maximum variance approximately 22% in total. The first component contains eight variables. Hence more attention to be given to satisfy these eight variables to increase the employee channels satisfaction level. There exists a significant difference among the different variables across Delhi, Haryana and U.P. in the following Manufacturer's sales are helpful, income received from the manufacturer's products Everyday margins on manufacturer's products How promotional payments are made and speed of delivery. So it is strongly recommended to increase in these variables to minimize the gap. It will further improve employee channel satisfaction level.

LIMITATIONS OF THE STUDY

This study has the following limitations.

- 1) As this study is conducted in Delhi and around, so it may not be applicable to other parts of the country.
- 2) As the retail stores selected for this study is limited. So it will not be possible to make the generalizations for all retail stores.

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EXECUTIVES' PERCEPTION ABOUT PROJECT MANAGEMENT PRACTICES IN BEML BANGALORE

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ABSTRACT

Today's competitive global marketplace demands that businesses get new products, services, and business development completed quickly, on time, and within budget. Major challenges in facing business today are increasing customer demand, increasing competition, globalization, and complex technology. To overcome these challenges managers need to be more innovative and proactive. Project Management is attempted to accomplish a value addition, to bring about a beneficial change to the organization. It is achieved by steering in the right direction to keep in the right track, enabling an up gradation, change, or development in the existing system. The basic challenge in successful accomplishment of a project lies in optimizing the allocation and integration of inputs necessary for completion of the project. The set of project management practices in managing the projects helps in completion of the project well within the specific time. This paper attempts to identify the executives' perception about project management practices in BEML with respect to project planning, project Identification, project development risk management and project execution monitoring and control.

KEYWORDS

Project Development, Project Identification, Project Management, Project planning, Project Execution, Monitoring and Control.

INTRODUCTION

Project management enables an organization to achieve operational excellence and a high employee satisfaction and retention index. To realize the full potential of an organization and its people, the Project Management Practices followed in PSUs, systematically provides the best business solutions. Understanding the importance of an effective Project Management System (PMS) brings the real value to the firm. Some of the major challenges in adopting project management practices identified in the study were a low level of understanding of the scope of the term 'Project Management', which tends to generate a rather myopic view of what it entails. In addition, the inadequacy of skilled and semi skilled manpower often limits the productivity and cause a huge divergence in terms of the results expected and what is actually delivered at the end. In this juncture, it is required to find out the PM practices and its application, an attempt to ensure its effectiveness and impact of the PMS employed in the organization under study. Bharat Earth Movers Limited (BEML), a public sector undertaking, incorporated on 11th May 1964, is India's largest and Asia's second largest manufacturer of mining, construction and earthmoving equipments with remarkable presence in numerous sectors such as coal, mining, steel, cement and irrigation. An attempt has been made to analyse the executive's perception about project management practices in BEML. An opinion survey has been conducted from 42 respondents i.e., executives in BEML were contacted and their views were obtained through an interview schedule comprising of personal factors and study factors. The collected data were processed and portrayed in suitable tables.

REVIEW OF LITERATURE

Several studies done on project management practices, effectiveness of project management and project overruns, have been collected through the reviews of the related research studies. Studies on projects show that deviations from a general to a planned endeavor do indeed happen. Public sector companies are generally viewed on project schedule slippages and cost overruns.

M.Sakthivel Murugan (1994)¹, attempts to make a comparative evaluation of project overruns of time and cost, and its impact on the projects. He suggests that effective management of a project is a sine-qua-non for the development of the economy to germinate on a firmer footing because development itself is the offshoot of a series of successfully managed industrial projects.

Mukesh Jain (2007)⁴, comprehends that in the present day, the competitive marketplace demands the best of everything – the highest quality, lowest costs and shortest schedule. Avoiding failures and delivering the right software at the right time requires taking care of end –to-end process, including project management and quality management.

Larry Puleo (2007)⁹, in his study on 'Enterprise Project Management: what it takes to deliver organizational benefit, suggests that if you want to improve your project management capability you need to focus on people and process, not on software tools.

N.Vijaya Lakshmi, (2008)¹¹, in her study, examined that managing projects in 21st Century successfully requires good people-management skills. However the new generation project managers have few people-management skills and usually they are not trained in managing people, due to the reasons like attitude towards workplace culture, loyalty, communication and technology.

NEED FOR THE STUDY

The ability to allocate resources to achieve a goal within the specified period of time, making it unique, is the hallmark of project management. BEML is taken as a case study to understand its PMS (Project Management System), a source of information for the Public Sector Undertakings in India. The study enables to examine the final outcome relating to the potential problems and pitfalls that can occur in projects.

STATEMENT OF THE PROBLEM

The Project management system pertains to the intricate Project management Practices generally applied by the Project Managers with lot of challenges. The challenges faced by the Project managers in accomplishment of the projects balancing between the triple constraints - Time, cost, resources, along with the quality, skill and performance involved in projects claim the need for this study especially in BEML, which is known for its complexity and success over the decades.

OBJECTIVES OF THE STUDY

1. To examine the relationship between the personal factors and the occupational status of the Project managers.
2. To analyze the relationship between the Project Management Practices (PMP) and the Project Management System.
3. To identify the personal decisions of project managers in administering the projects.

HYPOTHESES OF THE STUDY

- H₀ : There is no relationship between the personal factors and the occupational status of the Project managers.
 H₁ : There is relationship between the personal factors and the occupational status of the Project managers.

RESEARCH METHODOLOGY

The study attempts to analyze the relationship on their occupational status, their personal decisions taken relating to the Project Management practices applied in managing their Projects for an effective Project Management System.

RESULTS AND DISCUSSION

PROJECT MANAGEMENT PRACTICES

The perception about the various project management practices such as project planning, project identification, project development, risk management project execution monitoring and control were identified and compared with personal profile.

PROJECT PLANNING

Project Planning applicable in the organization (BEML) under study. It explains the procedures and policies adopted relevant to Project Planning as one of the Project Management System.

AVERAGE SCORE ANALYSIS

The Average Score Cross Analysis is used to assess the level of opinion of the respondents based on the Personal Factors namely, the occupational status and number of years of experience of the respondents on the variables relating to Project Management System through a Five-point scaling technique similar to Likert Scaling.

TABLE 1.1: PROJECT PLANNING

S.No	Variables	Strongly Agree	Agree	Undecided	Disagree	Strongly Disagree
1	Before starting the project a professional exercise of planning has been made	14 (33.3)	20 (47.6)	4 (9.5)	2 (4.8)	2 (4.8)
2	The environmental issues relating to the project does not arise	2 (4.8)	9 (21.4)	8 (19)	20 (47.6)	3 (7.1)
3	Suggestions from the team members are accepted	18 (42.9)	21 (50)	1 (2.4)	2 (4.8)	0 (0)
4	Identification of problems expected in the current project is shared among the team so as to elicit solutions from team members	13 (31)	24 (57.1)	3 (7.1)	2 (4.8)	0 (0)
5	List of activities are defined to each individual involved in the project	15 (35.7)	23 (54.8)	1 (2.4)	3 (7.1)	0 (0)
6	Collaborative estimation of cost and time is more effective	12 (28.6)	22 (52.4)	5 (11.9)	3 (7.1)	0 (0)
7	The critical path of the project is defined in detail to ease the complexity in the schedule	15 (35.7)	19 (45.2)	2 (4.8)	5 (11.9)	1 (2.4)

[Note: The values in brackets are in percentage]

It is found from Table 1.1 that, majority of the respondents 20 (47.6%) have agreed, and 14(33.3%) of them have strongly agreed, on the project planning exercise applied, before initiation of the project. 20 (47.6%) of the respondents have stated that environmental issues arise on the projects undertaken. 50% of the respondents have agreed, and 18 (42.9%) have strongly agreed that suggestions from team members are accepted at any point of the project management system. Majority of the respondents 24(57.1%) have agreed that problems anticipated in project implementation and solutions for these problems are always shared among the team members. Almost all the respondents have consented that each member involved in the project management system (pms) are aware of the activities involved in the project. Majority of the respondents have also agreed on the effectiveness of Collaborative estimation of cost and time. Finally in the project planning stage, 19 (45.2%) of the respondents have agreed and 15 (35.7%) have strongly agreed that the CPM (critical path method) is defined in detail to ease the complexity of the PMS.

It is concluded that all the necessary inputs relating to the project planning stage has been prudently followed with the required communication and feedback among the team members to enable an effective initiation of the project.

1.1.B.1 PERSONAL FACTORS AND PROJECT PLANNING

Association of the personal factors of the respondents on various aspects relating to project planning were tested in Table 1.2

Before starting the project a professional exercise of planning has been made	- A 1
The environmental issues relating to the project does not arise	- A 2
Suggestions from the team members are invited during the planning stage	- A 3
Problems anticipated in the current project is shared among the team, to elicit solutions	- A 4
List of activities are defined and assigned to each individual for smooth execution	- A 5
Collaborative estimation of cost and time is more effective in planning process	- A 6
The critical path of the project is examined in detail to ease the complexity in the Schedule	- A 7

TABLE 1.2: AVERAGE SCORE OF PERSONAL FACTORS AND PROJECT PLANNING

Occupational status		Project Planning						
Designation	Managers	A1	A2	A3	A4	A5	A6	A7
		3.86	2.36	4.36	4.14	4.43	4.07	3.86
	Asst. Managers	4.07	2.86	4.29	4.14	4.07	4	4.07
Experience (years)	< 10	3.8	2.4	3.8	3.4	4	3.6	3.4
	10 – 20	3.44	2.44	4.11	4.22	4.22	3.67	4
	>20	4.21	2.82	4.46	4.25	4.21	4.21	4.11

It is found from the Table 1.2 that the Managers have more level of agreeability towards A5 (4.43) followed by A3 (4.36) whereas the Assistant managers have more level of agreeability towards A3 (4.29) followed by A4 (4.14) than others. The respondents having experience greater than 20 years have shown a high level of agreeability towards A3(4.46) followed by A4 (4.25)and those having an experience between 10 to 20 years have a high level of agreeability towards A4 and A5 (4.22) than others and so on towards Project Planning.

It is concluded that the respondents irrespective of their cadre and experience have a high level of agreeability towards the variables A5, A4 or A3 than others relating to Project Planning.

1.1A.2 PROJECT IDENTIFICATION

TABLE 1.3: PROJECT IDENTIFICATION

S.No.	Variables	Strongly Agree	Agree	Undecided	Disagree	Strongly Disagree
1	Research on prospective customer base is continuously explored	10 (23.8)	24 (57.1)	3 (7.1)	5 (11.9)	0 (0)
2	The existing customers' orders is in adequate demand to meet our optimum sales	6 (14.3)	22 (52.4)	6 (14.3)	8 (19)	0 (0)
3	The competency mapping is done in a continuous process	0 (0)	5 (11.9)	7 (16.7)	16 (38.1)	14 (33.3)

[Note: The values in brackets are in percentage]

It is found from Table 1.3 constituting Project Identification, majority 24 (57.1%) of the respondents have agreed that research on exploring of prospective customers has been done in continuous basis. As also 22 (52.4%) of the respondents agree that the existing customer base fulfill the existing production capacity meeting the company's optimum sales. Regarding the competency mapping, 16 (38.1%) of the respondents have disagreed that it is done on a continuous basis. It is concluded that Project identification is not a major problem for the company due to the sustained demand and accomplishment of the projects suiting to the customer's requirements.

1.1.B.2 PERSONAL FACTORS AND PROJECT IDENTIFICATION

Association between the personal factors and the variables of project identification was tested through Table 1.4

Research on prospective customer requirement is continuously explored

- B1

The competency mapping is done in a continuous process

- B2

No need for identification of new projects due to optimum level of business reach

- B3

TABLE 1.4: AVERAGE SCORE OF PERSONAL FACTORS AND PROJECT IDENTIFICATION

Occupational status		Project Identification		
Designation	Managers	B1	B2	B3
			4	3.43
	Asst. Managers	3.89	3.71	2.29
Experience (years)	< 10	3.6	3.8	2.2
	10 – 20	3.67	3	1.89
	>20	4.07	3.79	2.11

It is observed from the Table 1.4 that the Managers have more level of agreeability towards B1 (4 .00) followed by B2 (3.43). The Assistant managers also have shown a high level of agreeability towards B1 (3.89) followed by B2 (3.71) than others.

The respondents having 10 to 20 years of experience have a high level of agreeability towards B1 (3.67) followed by B2 (3.00). Further the respondents with experience above 20 years have a high level of agreeability towards B1 (4.07) followed by B2 (3.79) and so on towards Project Identification.

It is concluded that the respondents irrespective of their cadre and experience have a high level of agreeability towards B1 and B2 than others, relating to Project Identification.

1.1.B.3 PERSONAL FACTORS AND PROJECT DEVELOPMENT

PROJECT DEVELOPMENT

The 'Project Development', which covers the role of the project Manager and the team, referring their responsibilities on the issues in development of the Project were analyzed in table no. 1.5

TABLE 1.5: PROJECT DEVELOPMENT

S. No.	Variables	Strongly Agree	Agree	Undecided	Disagree	Strongly Disagree
1	Project manager's role is more about team leadership than project management	8 (19)	14 (33.3)	5 (11.9)	10 (23.8)	5 (11.9)
2	The project team's morale remains intact until the completion of the project	6 (14.3)	28 (66.7)	2 (4.8)	5 (11.9)	1 (2.4)
3	The strategic objectives are well defined	8 (19)	24 (57.1)	6 (14.3)	3 (7.1)	1 (2.4)
4	Training programs help to share knowledge and improve the skills	12 (28.6)	23 (54.8)	3 (7.1)	4 (9.5)	0 (0)
5	Project manager's role is more about team leadership than project management	21 (50)	19 (45.2)	1 (2.4)	1 (2.4)	0 (0)
6	The expertise and professional skill is the core competency of the organization	4 (9.5)	28 (66.7)	7 (16.7)	2 (4.8)	1 (2.4)
7	Performance analysis is done periodically	11 (26.2)	26 (61.9)	2 (4.8)	3 (7.1)	0 (0)

[Note: The values in brackets are in percentage]

It is found from Table 1.5 , that 28 (66.7%) of the respondents agree that the morale of the team members are kept intact over the period of accomplishment of the PMS, as also 28 (66.7%) agree that the core competency of the organization is the expertise and the professional skill of the team members enhancing the Project Management System. Similarly 26 (61.9%) of the respondents agree on the periodical performance analysis adopted in the PMS. It is found that 10 (23.8%) of the respondents have disagreed on the statement, Project manager's role is more about team leadership than project management.

It is concluded from this analysis that the Project Development is strongly built on the edifice of expertise and the professional skills of the team, periodical performance analysis, and the morale of the project management team kept intact during the entire process of PMS.

The respondent's personal profile with respect to their perception relating to variables of project development has been tested in Table 1.6

Project manager's role is more about team leadership than project management

- C1

The project team's morale remains intact until the completion of the project

- C2

The strategic objectives are well defined

- C3

Training programs help to share knowledge and improve the skills

- C4

The expertise and professional skill is the core competency of the organization

- C5

A part of the work is outsourced

- C6

Performance analysis is done periodically for timely completion of project.

- C7

TABLE 1.6: AVERAGE SCORE OF PERSONAL FACTORS AND PROJECT DEVELOPMENT

Occupational status		Project Development						
Designation	Managers	C1	C2	C3	C4	C5	C6	C7
			3	3.93	3.71	4.29	4.5	3.86
	Asst. Managers	3.36	3.71	3.89	3.89	4.39	3.71	4
Experience (years)	< 10	3.4	3.2	3.8	3	4.2	3.6	3.2
	10 – 20	2.89	3.78	3.44	4	4.44	3.67	4.22
	>20	3.32	3.89	3.96	4.21	4.46	3.82	4.18

It is found from the Table 1.6 that the Managers have more level of agreeability towards C5 (4.50) followed by C4 (4.29) whereas the Assistant managers have more level of agreeability towards C5 (4.39) followed by C7 (4.00) than others. The respondents having 10 to 20 years of experience have a high level of agreeability towards C5 (4.44) and C7 (4.22), as also of those having less than 10 years of experience, C5 (4.2) than others.

Further the respondents who have experience more than 20 years have a high level of agreeability towards C5 (4.46) followed by C7 (4.18). towards Project development.

It is concluded that the respondents irrespective of their cadre and experience have a high level of agreeability towards C5, C7 and C4 than others, in relation to Project Development.

1.4.A.4. RISK MANAGEMENT

TABLE 1.7: RISK MANAGEMENT

S.No.	Variables	Strongly Agree	Agree	Undecided	Disagree	Strongly Disagree
1	Lack of confidence in time and cost estimates	3 (7.1)	17 (40.5)	7 (16.7)	14 (33.3)	1 (2.4)
2	Urgent projects disrupt the cost and available resources	3 (7.1)	27 (64.3)	3 (7.1)	8 (19)	1 (2.4)
3	Lack of team members support and cooperation	3 (7.1)	17 (40.5)	3 (7.1)	16 (38.1)	3 (7.1)
4	Team members fatigue overtime, losing interest in the project	1 (2.4)	19 (45.2)	7 (16.7)	12 (28.6)	3 (7.1)
5	On completion of the project, it may end up that the project no longer meets the current business needs	1 (2.4)	9 (21.4)	5 (11.9)	17 (40.5)	10 (23.8)
6	The business objective might change during the course of the project	0 (0)	20 (47.6)	8 (19)	12 (28.6)	2 (4.8)
7	The risk management techniques and tools has been thoroughly examined	3 (7.1)	22 (52.4)	7 (16.7)	9 (21.4)	1 (2.4)

[Note: The values in brackets are in percentage]

The risk management in PMS, is a crucial element of any organization. It is found from the analysis given in Table 6.9, that 27 (64.3%) of the respondents agreed that, urgent projects disrupt the cost and available resources. 22 (52.4%) of them have agreed that risk management techniques and tools has been thoroughly examined in the PMS and 19 (45.2%) of them have agreed that Team members fatigue overtime, losing interest in the project.

Risk is associated with outdated practices due to updated technology. It is found that 17 (40.5%) of the respondents agree that the project once completed no longer meets the current business needs and 14 (33.3%) have consented that there exists lack of confidence in time and cost estimates.

Hence it can be concluded that there are risks to be managed relating to lack of support and cooperation among the team members, change of business objective during the course of the project, and the constraints on cost and time estimates.

1.4.B.4. PERSONAL FACTORS AND RISK MANAGEMENT

Analysis of respondent’s personal factors with respect to their perception relating to the variables of risk management has been tested in Table 1.8

Lack of confidence in time and cost estimates among the team members

- D 1

Urgent projects disrupt the cost and available resources

- D 2

Lack of team members support and cooperation

- D 3

Team members fatigue overtime, losing interest in the project

- D 4

On completion of the project, it may end up that the project no longer meets the current business needs

- D 5

The business objective might change during the course of the project

- D 6

The risk management techniques and tools has been thoroughly examined

- D 7

TABLE 1.8: AVERAGE SCORE OF PERSONAL FACTORS AND RISK MANAGEMENT

Occupational status		Risk Management						
Designation	Managers	D1	D2	D3	D4	D5	D6	D7
			3.07	3.57	3.07	2.93	2.21	3.36
Experience (years)	Asst. Managers	3.21	3.54	3	3.14	2.46	2.96	3.39
	< 10	3.4	3.8	3.4	3.4	3	2.8	2.4
	10 – 20	3.22	3.56	3.33	3	2.33	3.11	3.22
	>20	3.11	3.5	2.86	3.04	2.29	3.14	3.64

It is found from the Table 1.8 that the Managers have more level of agreeability towards D2 (3.57) followed by D7 (3.43) whereas the Assistant managers have also shown a higher level of agreeability similar to Managers towards D2 (3.54) followed by D7 (3.39) than others. The respondents having 10 to 20 years of experience have a high level of agreeability towards D2 (3.56) followed by D7 (4.22) and D1 (3.22).

Further the respondents who have experience more than 20 years have a high level of agreeability towards D7 (3.64) followed by D2 (3.50) towards Risk Management.

It is concluded that the respondents irrespective of their cadre and experience have a high level of agreeability towards D2 and D7 than the others, in relation to Risk Management variable.

1.5.A.5 PROJECT EXECUTION, MONITORING AND CONTROL

TABLE 1.9: PROJECT EXECUTION, MONITORING AND CONTROL

S.No.	Variables	Strongly Agree	Agree	Undecided	Disagree	Strongly Disagree
1	Requirements of clients are validated in detail and any changes during the process has been authorized by the client	6 (14.3)	29 (69)	3 (7.1)	4 (9.5)	0 (0)
2	The project is updated whenever necessary	9 (21.4)	30 (71.4)	2 (4.8)	1 (2.4)	0 (0)
3	The inevitable changes done during the implementation process deviating from the planned schedule does not affect the project’s health	4 (9.5)	20 (47.6)	5 (11.9)	13 (31)	0 (0)
4	Control over the execution of the project is limited to supervisions and basic reports on the advancement	1 (2.4)	14 (33.3)	14 (33.3)	11 (26.2)	2 (4.8)
5	The real execution time is very close to the planned schedule so as to avoid serious delays	3 (7.1)	25 (59.5)	4 (9.5)	10 (23.8)	0 (0)
6	Informal communication and social exchange helps to enhance team work	10 (23.8)	24 (57.1)	6 (14.3)	2 (4.8)	0 (0)
7	Review on the work carried out, achievements done and the needs to be improved is done to identify the gaps	10 (23.8)	27 (64.3)	3 (7.1)	2 (4.8)	0 (0)
8	Technology upgradation is done periodically	10 (23.8)	21 (50)	6 (14.3)	4 (9.5)	1 (2.4)
9	Before initializing the project a professional exercise of planning has been made	10 (23.8)	22 (52.4)	4 (9.5)	5 (11.9)	1 (2.4)
10	The risk management techniques has been thoroughly examined	10 (23.8)	24 (57.1)	5 (11.9)	2 (4.8)	1 (2.4)

[Note: The values in brackets are in percentage]

Table 1.9 reveals that majority of the respondents 30 (71.4%) have agreed that the project is updated whenever necessary during the course of PMS. 27 (64.3%) have agreed on identification of gaps are done on a continuous basis through review of the process and the improvements to be made wherever necessary. 24 (57.1%) have agreed that risk management techniques are thoroughly examined and duly applied.

It is found that 25 (59.5%) of them agree, that the real execution time is always close to the planning schedule so as to avoid undue delays. In toto, the project monitoring, control and execution are diligently followed keeping in view updation of project whenever necessary, inevitable changes promptly effected, review on the work carried out and technology upgradation which becomes inevitable for timely completion of PMS.

1.5.B.5. PERSONAL FACTORS AND PROJECT EXECUTION, MONITORING AND CONTROL

Analysis of the respondent’s personal factors with respect to the perception relating to the variables of Project Execution, Monitoring and Control has been done in Table 1.6

- Requirements of clients are validated in detail and changes required is authorized by the client - E 1
- The project is updated whenever necessary - E 2
- The inevitable changes done during the implementation process does not affect the project’s health - E 3
- Control over the execution of the project is limited to supervisions and basic reports - E 4
- The real execution time is very close to the planned schedule so as to avoid serious delays - E 5
- Informal communication and social exchange helps to enhance team work - E 6
- Review on the progress made, achievements done and the needs to be improved is done - E 7
- Technology upgradation is done periodically to keep pace with the competition - E 8
- Before initializing the project a professional exercise of planning has been made - E 9
- The control process starts from the initial stages of the project. - E 10

TABLE 1.10: AVERAGE SCORE OF PERSONAL FACTORS AND PROJECT EXECUTION, MONITORING AND CONTROL

Occupational status		Project Execution, Monitoring and Control									
Designation	Managers	E1	E2	E3	E4	E5	E6	E7	E8	E9	E10
			4	4.21	3.5	3.21	3.79	4	4.21	3.93	3.86
	Asst. Managers	3.82	4.07	3.29	2.93	3.36	4	4	3.79	3.82	4.14
Experience (years)	< 10 years	4	4.2	3.2	3.4	3	3.8	3.6	4	3.4	3.8
	10 – 20 years	3.33	3.78	2.67	2.44	3.33	4	4.11	3.56	3.33	3.78
	>20 years	4.04	4.21	3.61	3.14	3.64	4.04	4.14	3.89	4.07	4.04

It is found from the Table 1.10 that the Managers have more level of agreeability towards E2 (4.21) and E7 (4.21) whereas the Assistant managers have more level of agreeability towards E10 (4.14) followed by E2 (4.07) than others. The respondents having 10 to 20 years of experience have a high level of agreeability towards E7 (4.11) followed by E6 (4.0). Further the respondents who have experience more than 20 years have a high level of agreeability towards E2 (4.21) followed by E7 (4.14) towards Project Execution, Monitoring and Control.

It is concluded that the respondents irrespective of their cadre and experience have a high level of agreeability towards E2 and E7 than the others, in relation to the variable, Project Execution, Monitoring and Control.

FINDINGS

PROJECT PLANNING

1. 50% of the respondents have agreed, that suggestions from team members are accepted in application of the current PMS.
2. Majority of the respondents have also agreed on the effectiveness of Collaborative estimation of cost and time in managing the project.
3. It is concluded that all the necessary inputs relating to the project planning stage has been prudently followed with the required communication and feedback among the team members to enable an effective initiation of the project.

PROJECT IDENTIFICATION

1. Around 57.1% of the respondents have agreed that research on exploring of prospective customers has been done in continuous basis.
2. 52.4% of the respondents agree that the existing customer base fulfill the existing production capacity meeting the company’s optimum sales.
3. Regarding the competency mapping, only 16 (38.1%) of the respondents have disagreed that it is done on a continuous basis.
4. It is concluded that Project identification is not a major problem for the company due to the sustained demand and accomplishment of the projects suiting to the customer’s requirements.

PROJECT DEVELOPMENT

1. 28 (66.7%) of the respondents agree that the morale of the team members are kept intact over the period of accomplishment of the PMS
2. 28 (66.7%) agree that the core competency of the organization is the expertise and the professional skill of the team members enhancing the Project Management System in their organization.
3. Similarly 26 (61.9%) of the respondents agree on the periodical performance analysis adopted in the current PMS.
4. It is concluded that the Project Development is strongly built on the edifice of expertise and the professional skills of the team, periodical performance analysis, and the morale of the project management team kept intact during the entire process of PMS.

RISK MANAGEMENT

1. 27 (64.3%) of the respondents agreed that, urgent projects disrupt the cost and availability of resources.
2. 22 (52.4%) of them have agreed that risk management techniques and tools has been thoroughly examined in the PMS
3. 19 (45.2%) of them have agreed that Team members fatigue overtime, losing interest in the project.
4. Risk is associated with outdated practices due to updated technology. It is found that 17 (40.5%) of the respondents agree that the project once completed no longer meets the current business needs and 14 (33.3%) have consented that there exists lack of confidence in time and cost estimates.

PROJECT EXECUTION, MONITORING AND CONTROL

1. 30 (71.4%) have agreed that the project is updated whenever necessary during the course of PMS.
2. 27 (64.3%) have agreed on identification of gaps are done on a continuous basis through review of the process and the improvements to be made wherever necessary.
3. 24 (57.1%) have agreed that risk management techniques are thoroughly examined and duly applied.
4. 25 (59.5%) of them agree, that the real execution time is always close to the planning schedule so as to avoid undue delays.

SUGGESTIONS

From Researcher’s point of view a few suggestions has been laid down, though observed a flawless PMS applied in BEML;

- As project management continues its progression, professionals require the latest information on the changes in project management. Access to state-of-the-art information is necessary to understand the increasing integration of project and the organizational strategy, and is vital to the continued advancement of the project management profession.
- Exploring new viable techniques and its effectiveness strengthening its Research and Development Department will help in a longer way.

CONCLUION

To conclude, it is found that the existing Project Management Practices of BEML followed in implementing the complex projects has been successfully managed over six decades. Projects are well managed through project management practice with respect to project planning, project identification project development, risk management and project execution monitoring and control.

SCOPE FOR FURTHER RESEARCH

It is suggested that, research on 'Project Management Practices' can be explored further on the following areas:

- ❖ Earned Value Management in Complex Projects
- ❖ Effective lessons learnt on Post Project Reviews for up gradation of PMS
- ❖ Understanding Corporate Strategies through Project Management
- ❖ Emotional Intelligence in managing Projects

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PERCEPTION, EXPECTATIONS AND EXPERIENCE OF PASSENGERS: AN ANALYTICAL STUDY OF USERS OF VAYU VAJRA BUS SERVICES IN BANGALORE BY USING ACSI MODEL

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ABSTRACT

By moving persons or things from the point of origin to the point of destination, transporters perform one of the most important activities. A key motivation for the growing emphasis on customer satisfaction is that higher customer satisfaction can lead to reduction in price elasticity, lower operating cost, reduce failure cost and reduce the cost of attracting new customers. The purpose of this study is to find out the key factors that affect the customer satisfaction of passengers using the services of Vayu Vajra bus services in Bangalore within the American Customer Satisfaction Index (ACSI) model and know how to improve the current bus services to fulfill the customer satisfaction. Based on the research, the authors are of the strong opinion that the ACSI model is unsuitable for Vayu Vajra bus case since Vayu Vajra bus service is provided by BMTC, a traditional public service. It has its own specificity and is different from the normal service, even from the normal public service like Government hospital. Vayu Vajra Bus services try to provide the convenient service to people but not with the purpose of making profit. Hence, the ACSI model has been modified and a suitable equation has been suggested.

KEYWORDS

ACSI (American Customer Satisfaction Index model), convenient service, customer satisfaction and price elasticity.

BACKGROUND

The civilization of the human sensitivity has revealed an urge for mobility leading to a measure of Society's progress. The history of this mobility or transport is the history of civilization. By moving persons or things from the point of origin to the point of destination, transporters perform one of the most important activities, at every stage of advanced civilisation. Thus, by examining the history of transportation and the various stages of its evolution, one can actually gauge the extent of economic development and the extent of progress of civilization itself. If we consider the "Invention of the Wheel" as one of the greatest transformation points in history of civilization, then it is fully justified to study transportation and its history, since the "Wheel" has basically transported while it transformed. Therefore, transportation maybe considered as both a cause and consequence of economic development.

BMTC AT A GLANCE

The Bangalore Metropolitan Transport Corporation (BMTC) came into existence in 1997 with the sole aim of providing public transportation to the city and sub-urban areas of Bangalore. BMTC leads by example in being the only Bus Corporation within the city of Bangalore to ferry more than 4.5 million commuters. The organization comprises a fleet of over 6166 buses covering an area encompassed with a radius of 36 kilometers from the city centre. In a day BMTC operates on 583 city and 1785 sub urban routes, running 13 lakhs kilometers and making 79445 trips. BMTC has a 32000 strong labour force to carry out different aspects of BMTC bus operations.

BMTC services the transport needs of the urban and sub-urban population in and around Bangalore. And, despite the differentiated base of the commuting population, BMTC reaches far and wide, in every nook and corner of the city making public transport an attractive travel choice for everyone. BMTC's strong hold in the area of public transportation in Bangalore is a testimony to its adoption of sound Management, HR, Quality and Environmental policies.

Vajra services are premium services of BMTC that provide high comfort in order to attract people from using personalized mode of transport. The service is operated by deploying Volvo based buses that are Air-conditioned, Euro-III conforming with kneeling mechanism, collapsible exit floor and room for wheel-chair. These services are hard to miss as they are red in color and operate on almost all localities, including arterial and ring roads of Bangalore.

BIG10 services deploy buses branded in green and bottle green on 12 major corridors coming in from surrounding suburbs in the city viz., Hosur road, Bannerghatta road, Sarjapura road, Kanakapura road, Mysore road etc. These buses run on a direction based concept where the commuter takes the next (high frequency, every 15 minutes) bus in his/her direction of travel, and if need be, makes a changeover to another bus to reach the destination. The service terminates on different points on the radius of the city core, to avoid congesting the city centre.

Suvarna services are newly introduced services with a fleet comprising air-suspension and high comfort (without A/C) buses. There are 295 services in operation as on 31st January 2011, which are specially deployed during peak hours.

Pushpak services are operated by deploying branded buses having added comfort features such as better upholstered seats with head rest, more leg space etc. Their fares are structured higher than the ordinary fares. These services are especially popular for Chartered Service, Casual Contract etc.

BMTC operates **tailor made services** too to suit the specific requirements of commuters like students, factory employees, corporate staff etc. They are usually contracted out by charter services. BMTC also operates casual contracts to meet individual demand for transport on occasions like weddings, pilgrimage, rallies etc. These services are offered at special rates under different packages.

BMTC also operates **ordinary Services** within the city with 48742 total numbers of trips in Bangalore City alone and 1864 total number of trips covering the semi urban areas around Bangalore, with a total route length of 47665.6 KMs a day. The total number of schedules operated by BMTC is around 5918 with 50506 trips carrying a total of around 4.5 million passengers a day.

TABLE – 1: DETAILS OF BMTC

PARTICULARS	Figures
No of Schedules	5918
No of Vehicles	6166
Total No. trips – Urban	48742
Total No. trips – Semi Urban	1864
Route Length	47665.6 KMs
Daily Service kms	12.72 Lakhs
Daily Passengers Carried Around	4.5 Million

Source: BMTC website: www.bmtc.org.in

VAYU VAJRA OF BMTc, BANGALORE

Volvo based Bangalore International Airport Limited (BIAL) Services, also known as *Vayu Vajra*, offer high-end air-conditioned comfort to passengers in an effort to wean them away from personalized modes of travel. The service is available round the clock, providing seamless connectivity between important areas of the city and BIAL. The table No. 2 gives a detailed report about the Vayu Vajra operations in Bangalore. The Transport Corporation has a fleet strength of 61 exclusively to provide transport services between Bangalore International Airport and various destinations in Bangalore. On an average around 5000 passengers are being carried to and from BIAL and the minimum fare is Rs 125/= (from/to Majestic) and the maximum fare is Rs 220/= (from/to Electronic City). Compared with other routes, *Vayu Vajra (VV)* in Bangalore which plies from Bangalore International Airport (BIAL) to various destinations and from various destinations to BIAL is chosen for this research because it is one of the modes of conveyance being used by the air passengers to reach the Bangalore International Airport and to their respective destinations from BIAL even at odd hours. Therefore, researching and studying of customer satisfaction of Vayu Vajra bus services tend to be very helpful for the Bangalore Metropolitan Transport Corporation, Bangalore to improve its performance.

A key motivation for the growing emphasis on customer satisfaction is that higher customer satisfaction can lead to reduction in price elasticity, lower operating cost, reduce failure cost and reduce the cost of attracting new customers.

TABLE – 2: DETAILS OF VAYU VAJRA IN BANGALORE

Route No	ORIGIN	No. of Trips per/day Both ways	Schedule from BIAL		Schedule from Destinations	
			Starting Hrs	Ending Hrs	Starting Hrs	Ending Hrs
BIAS 4	HAL Main Gate	59	00.00	2300	00.30	22.00
BIAS 5	JP Nagar 6th Phase	56	00.10	2245	00.35	22.00
BIAS 6	Kadugodi Bus station	26	07.30	2320	06.00	22.40
BIAS 7	HSR Layout(BDA Complex)	38	00.30	2330	04.30	22.45
BIAS 7A	HSR Layout(BDA Complex)	23	08.40	2200	06.40	20.20
BIAS 8	Electronic city	45	00.40	2355	03.00	22.30
BIAS 8A	Kuvempu Nagar(BTM layout)	22	05.30	2335	06.30	21.20
BIAS 9	Majestic/KBS	114	00.10	2315	00.10	23.40
BIAS 10	MCTC Bus station	4	09.45	1945	07.10	07.10
BIAS 11	Chikkasandra bus station	29	06.35	2330	04.30	21.20
BIAS 12	Kuvempu Nagar(BTM layout)	46	05.40	2350	00.55	21.50
BIAS 5	JP Nagar 6th Phase	56	00.10	2245	00.35	22.00
BIAS 6	Kadugodi Bus station	26	07.30	2320	06.00	22.40
BIAS 7	HSR Layout(BDA Complex)	38	00.30	2330	04.30	22.45
BIAS 7A	HSR Layout(BDA Complex)	23	08.40	2200	06.40	20.20

Source: BMTc website: www.bmtc.org.in

PURPOSE AND RESEARCH QUESTIONS

The purpose of this study is to find out the key factors that affect the customer satisfaction of passengers using the services of Vayu Vajra bus services in Bangalore within the ACSI model and know how to improve the current bus services to fulfill the customer satisfaction.

Based on the purpose of this study, two research questions are identified to be important to answer in this paper:

1. What are the relationships between Customer Expectation, Perceived Quality, Perceived Value and Customer Satisfaction of Vayu Vajra bus services?
2. What is the suitable Customer Satisfaction model for a public bus service company like Vayu Vajra?

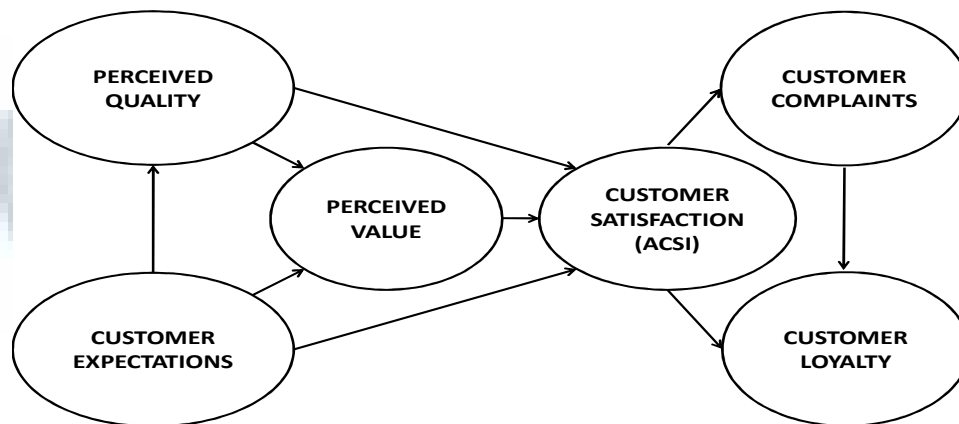
CUSTOMER SATISFACTION

Customer satisfaction can be defined as the customer’s evaluation of a product or service in terms of whether that product or service has met the customer’s needs and expectations (Valarie A. et al 2006). Satisfaction can be associated with the senses of fulfillment, contentment, the feeling of pleasure, relief and ambivalence with a mix of positive and negative experiences.

ACSI MODEL

The ACSI (American Customer Satisfaction Index) is a measure of quality of goods or services as experienced by customers (Valarie et al 2006). The ACSI model is a cause-and effect model which starts from “customer expectations” to “perceived quality”, and to “perceived value”, then the three factors impact on “customer satisfaction (ACSI)” which in center, finally it may induce two results: “customer complaints” or “customer loyalty”. You can see in the figure below:

FIGURE 1: ACSI MODEL



(Source: <http://www.theacsi.org>)

CUSTOMER EXPECTATION (CE)

Expectation is the results of prior experience with the company’s products (Ali et al 2007), it represents both prior consumption experience, which includes some non-experiential information, and a forecast of the company’s ability to deliver quality in the future (ACSI Methodology 2008). Knowing what the customer

expects is the first and possible most critical step in the whole service, because being wrong with what customer expectation is, may cause lose the customers or expending money and time that don't count to the customers.

PERCEIVED QUALITY (PQ)

Perceived quality is the evaluation that reflects from customers' experience of the quality of products or services. It evaluates customization which is the degree to meets the customer's individual needs, and reliability which is the frequency of given products or services go wrong. Quality is the most critical factor, if customers find the product or service is worth, even the price is a little bit high, the customers still would like to come back. The ACSI model delineates two types of perceived quality: produce quality and service quality.

PERCEIVED VALUE (PV)

Perceived value is the price paid which related to the level of product quality. Fonell et al (1996) argue that as the impact of value increased relation to quality, price is a more important determinant of satisfaction (Michael et al 2000).

CUSTOMER COMPLAINTS

Customer satisfaction may have two impacts, one is positive, another one is negative. Customer complaints are measured as a percentage of respondents who indicate they have complained to a company directly about the product or service (ACSI Methodology 2008).

CUSTOMER LOYALTY

Customer loyalty can be defined as the customers have a long-term commitment to repurchase the same product or service at a tolerance of price. At the same time, the customers may be an advertisement by themselves to recommend the other people to have the same product or service. The indices indicate which drivers of satisfaction, if improved, would induce customer satisfaction and customer loyalty.

CUSTOMER SATISFACTION

Satisfaction is a person's feelings of pleasure or disappointment resulting from comparing a product's perceived performance in relation to his or her expectations. Satisfaction is a function of perceived performance and expectations. If the performance falls short of expectations, the customer is dissatisfied. If the performance matches the expectations, the customer is satisfied. If the performance exceeds expectations, the customer is highly satisfied or delighted.

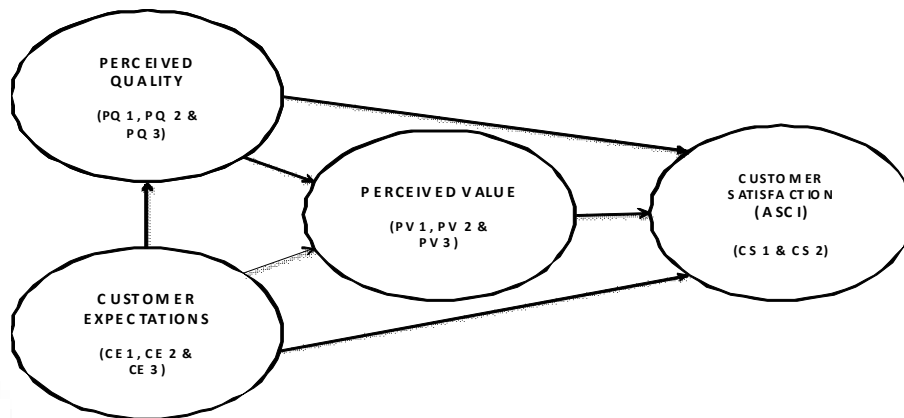
In the economic system, satisfaction is equated with utility, or the consumer's ability to enjoy a good and utility is never measured directly but inferred from the action of the market place, through the theory of revealed preference (Bennet and Kassrjian 1972)²⁷. In the buyer behaviour model developed by Howard and Sheth (1969)²⁸, "Customer's satisfaction is defined as the point at which expectation and reality coincide".

METHODOLOGY

Structural equation modeling (SEM) is a statistical technique for testing and estimating causal relationships using a combination of statistical data and qualitative causal assumption. A structural model combines with two types of models: the outer model links the manifest variables to the latent variables, while the inner model relates to the mode of estimation of latent variables.

The ACSI model is a structural model based on the assumptions that customer satisfaction (CS) is caused by some factors such as perceived quality (PQ), perceived value (PV), expectations of customers (EC). Each factor is represented as a construct (latent) variable which is indirectly described by a group of observable variables (manifest variables or indicators). This paper will only discuss the foremost part of ACSI, in another word, this study dispenses with the last two factors: customer loyalty and customer complaints, because the key point in this paper is to discuss the relationship between CE, PQ, PV and CS, trying to find out a good way to achieve the customer satisfaction. Therefore, both complaint factor and customer loyalty have less incentive to analyze. It shows in figure 2.

FIGURE 2: THE COEFFICIENT IN ACSI MODEL



From the Figure 2, the arrow points indicate the causality between construct variables. In addition, ζ_n and δ_n are residual of construct variables and manifest variables. The outer model can be described by the matrix: λ_{nm} is an effect of m latent variables on n latent variables, causality can not be zero.

There are two common statistical approaches for structural model estimation. The most prominent SEM technique is the ML-based covariance structure analysis method. (Bollen, 1989). The second approach is partial least squares (PLS)-based variance analysis method developed by Wold (1982, 1985). Compared with ML estimation, PLS method can work with small observations and multiple variables with discrete continuous or binary date, and also supports two types of relations, formative and reflective. Fornell (1992) states that PLS is a powerful estimation method for CSI.

DATA COLLECTION

In the ACSI model, construct variables are unobservable variables, observable variables are obtained by either interview or questionnaire. In this paper, a survey was made with the help of a structured questionnaire. There were twelve questions and each question was measured with Likert Scale where 1 expresses an extremely dissatisfaction and 5 expresses a very satisfaction. As table 3 shows, questions from one to three described expectations of customers; questions from four to eight indicated perceive quality; questions from nine to ten represented perceived value. Question eleven and twelve were relative to customer satisfaction.

TABLE 3: QUESTIONNAIRE

Latent variables	Manifest variables
Customer expectation (CE)	CE11: Expectation for being on time
	CE12: Expectation for number of bus runs
	CE13: Expectation for ticket price
Perceived quality (PQ)	PQ21: Vayu Vajra buses schedule
	PQ22: Vayu Vajra buses routers
	PQ23: Arriving on time
	PQ24: Drivers performance
	PQ25: Bus condition
Perceived value (PV)	PV31: Price paid for quality received.
	PV32: Quality received for paid price.
Customer satisfaction (CS)	CS41: Overall satisfaction
	CS42: Fulfillment of expectations

ANALYSIS AND DISCUSSIONS

TEST OF RELIABILITY

Internal consistency reliability defines the consistency of the results delivered in a test, ensuring that various items under CRM are measured correctly and reliably by respondents on Likert scale. This is checked (statistically) through Cronbach’s coefficient of reliability Alpha (∞) which is depicted below in table 4.

TABLE - 4: RELIABILITY TEST RESULT

CRONBACH’S STATISTIC

Cronbach’s Alpha	No. of items
0.8325	12

As the Cronbach’s ∞ (0.720) is greater than 0.70, we can statistically conclude that there is a consistency or inter reliability in measuring various items of ASCI model. In a sense, the result ensures that responses are not too varied across time in a summated scale.

COEFFICIENT CALCULATION

The inner model is estimated by PLS. PLS refers to principal component analysis and multiple regressions; it is a method of casual modeling. In the ASCI model, it extracts principal components from different measurement variables of latent variables, by using those data in the regression model, to find the relationship between independent variables and dependent variables.

MEAN VALUE AND SD

Through data collection and data compilation from the survey, this study got the mean value and standard deviation (as shown in table 5). Mean value shows the average level of customer’s evaluation; and the results indicate Customer Expectation is good; they like good service, the kind driver and the lower price. At the same time, the mean value of PQ shows Vayu Vajra buses provide good service in eye of customers. However, it also shows that the price is a little bit expensive for customers; furthermore, the average mean value of Customer Satisfaction (4.38) is almost nearer to 5, which means most of customers are satisfied with Vayu Vajra bus services. The standard deviation (SD) measures the dispersion of a data set; the low standard deviation indicates all of the data points are very close to mean value, while high standard deviation indicates that the data are “spread out” over a large range of values. All the SD in these surveys is almost equal to or than 1, which means the agreeability of the respondents is more or less same.

According to the data from survey, the coefficients for each latent variable and R^2 are shown in Figure 4. The coefficient value describes the relationship between variables, the larger the value of coefficient, the higher correlation between independent variable and dependent variable. If the value of coefficient is negative, which indicates independent variable is negative correlated with dependent variable, vice versa. They are written on the arrows line. The R^2 is a statistics that give some information about goodness of fit of a model, the larger the value of R^2 , the more accurate the model is. The value of R^2 varies from 0 to 1. If R^2 equals to 1 which means the regression line perfectly fits the data and the model highly closes to the reality. In general situation, the value of R^2 should be at least greater than 0.7.They are given in the circles.

As the Figure 4 shows, all relationships between latent variables are positive, except between Perceived Quality and Perceived Value. The positive relationship means that an increase in the value of an independent variable will lead to increase the value of dependent variable simultaneously, vice versa. According to the results, PQ and CE have a significant effect on customer satisfaction, the regression coefficient are 0.094 and 0.108, respectively. While PV has a positive relation with customer satisfaction, coefficient of PV only up to 0.551. Moreover, R^2 measure for customer satisfaction is 0.076, which means the regression model could explain 7.60 percent of the total variance in customer satisfaction.

TABLE 5: RESULTS OF THE QUESTIONNAIRE

		Mean Value	Average of Mean Value	Standard Deviation
CUSTOMER EXPECTATION (CE)	CE 1	3.95	4.12	.977
	CE 2	3.99		.976
	CE 3	4.41		.783
PERCEIVED QUALITY (PQ)	PQ 1	4.17	4.33	.852
	PQ 2	3.97		.968
	PQ 3	4.57		.524
	PQ 4	4.30		.460
	PQ 5	4.62		.476
PERCEIVED VALUE (PV)	PV 1	4.38	4.37	.487
	PV 2	4.35		.479
CUSTOMER SATISFACTION (CS)	CS 1	4.37	4.38	.676
	CS 2	4.41		.726

Source: Primary Data

Moreover, PQ and CE are considered as independent variable for dependent variable PV. PQ have a negative relationship with PV, regression coefficient value is - 0.172, which means the value of PQ increases by one will lead the value of PV increases by 0.172. There is a positive relationship between CE and PV, the coefficient value of CE is 0.448. R² measurement of this regression model is 0.147 which is somewhat not strong.

Finally, CE is the independent variable for PQ with the regression coefficient value of 0.841. It implies CE has a strong positive relationship with PQ. An increase in one value of CE will result in 0.841 value increased in PQ. The R² measurement of this regression is 0.175.

MODEL VARIABLES, PARAMETERS AND RELATIONS

The overall customer satisfaction in ACSI model has three factors: *perceived quality, perceived value, and customer expectation*. This study will discuss the relationships between them. Because the three factors are three determinants of overall customer satisfaction (CS), they have an influence not only on CS on themselves. So this analysis lists the relational expressions in table3; the later discussions will be based on these equations, to analyze how these three parameters impact CS and which is the most important relationship.

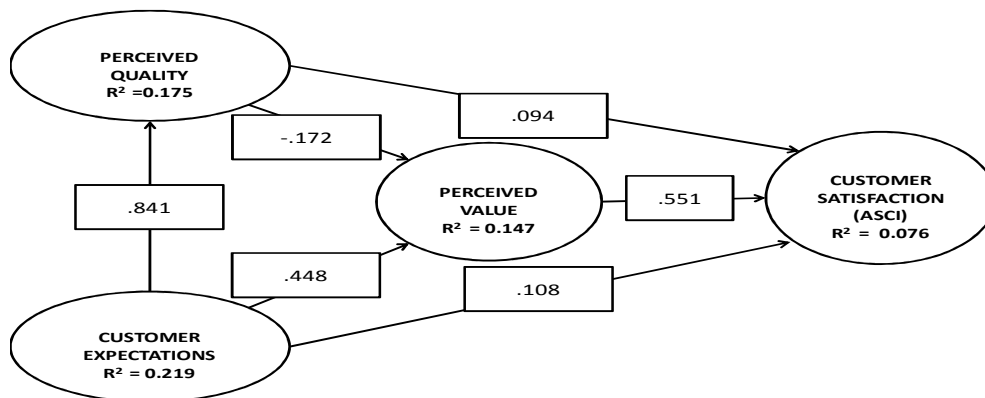
TABLE 6: MODEL VARIABLES, PARAMETERS AND RELATIONS

Dependent Variable	Independent Variable	Equations
Perceived Quality	Customer Expectation	$PQ = C + \beta_1 CE + \delta$
Perceived Value	Perceived Quality	$PV = C + \beta_2 PQ + \beta_3 CE + \delta$
	Customer Expectation	
Customer Satisfaction	Perceived Quality	$CS = C + \beta_4 PQ + \beta_5 CE + \beta_6 PV + \delta$
	Customer Expectation	
	Perceived Value	

As shown in Table 5, Customer Expectation (CE), Perceived Quality (PQ) and Perceived Value are either independent variable or dependent variable, β is the regression coefficient value; δ is error term, which describes some factors that cannot be explained by model. The relationship between latent variables can be represented by the coefficient value; the PLS process is based on the data which was obtained from the survey. It is to be noted that the higher β , stronger the relationship between independent variable and dependent variable is; in other words, if the value of one independent variable changes, the dependent variable will change β value.

All the questions in the questionnaire are based on the factors in ACSI, the later discussions are also related to the questionnaire. Since the study concentrates only on the impact of CE, PQ and PV on Customer Satisfaction in case of Vayu Vajra, the questionnaire has been developed considering only CE, PQ, PV and CS and the further discussion will also be on the relationship between these the above four factors..

FIGURE 3:THE CALCULATED COEFFICIENTS



CUSTOMER EXPECTATION/ PERCEIVED QUALITY RELATIONSHIP

The first discussion starts from the relationship between CE and PQ. In this equation, CE is an independent variable, while PQ is a dependent variable. Through PLS testing, the coefficient value of CE was found as 0.841, R² measurement is 0.175, which is not very high. It means perceived quality cannot be exactly explained by customer expectation. In this case, the result of coefficient value indicates customer expectation has a strong impact on perceived quality, one value of customer expectation increases will lead to 0.841 value increased in perceived quality.

Related to the questionnaire, the expectation of ticket price, routes and on time arrival of buses from customer directly influence the quality which provided by Vayu Vajra buses, Fornell (1996) found that CE has positive correlation with PQ. Customer expectation can be influenced by a series of factors such as prior experience (already availed the services), which is a positive function. Whatever the type of company is, the design and development of products and services always rely on the customers' needs. In other words, companies always concentrate on improving their products and services to fulfill customer expectation. On the other hand, customers always require better service. However, some expectations are not rational and reasonable so that perceived value may be lower. In this case, customer expectation has a strong positive impact on perceived quality. Moreover, the respondents in our survey are both national and international air passengers who have different expectation because of their nature and need for travel and hence the evaluation standards are different.

PERCEIVED VALUE/CUSTOMER EXPECTATION/ PERCEIVED QUALITY RELATIONSHIP

The second step mainly analyzes the relationship between independent variables PQ, CE and dependent variable PV. R² measurement of this regression for PV is 0.147, which means the PV and CE are poor to explain the independent variable PV. The coefficients value of PV with PQ and CE are -.172 and 0.448 respectively, which means PV and PQ has a negative relationship and CE has a small impact on PV. Perceived value relies on price that indicates whether it is worth to pay. In the case of Vayu Vajra buses, many customers think the ticket price is a little expensive. They are of the opinion that if they a higher price, they expect the services are to be better.

CUSTOMER SATISFACTION/ PERCEIVED VALUE/ CUSTOMER EXPECTATION/ PERCEIVED QUALITY RELATIONSHIP

The third determinants of customer satisfaction are the relationships between independent variables PQ, PV, CE and dependent variable CS. R² of this regression for CS is 0.076. The coefficient value of dependent variable CE related to CS is 0.108, it is the second important factor of CS. Customer satisfaction is the customer's evaluation of a product or service in term of whether that product or service has met the customer's needs. In general terms, customer expectation has a direct influence on degree of customer satisfaction.

The most important factor in this model through PLS tested is perceived quality, which obtains 0.094 of coefficient value. It is true, quality is crucial for a company, if there is a good service quality in Vayu Vajra buses, the customer can be satisfied. Even if the price is a little high, customer still would like to have the service. Moreover, coefficient value of PV is 0.551, which indicates the price of ticket has an impact on CS.

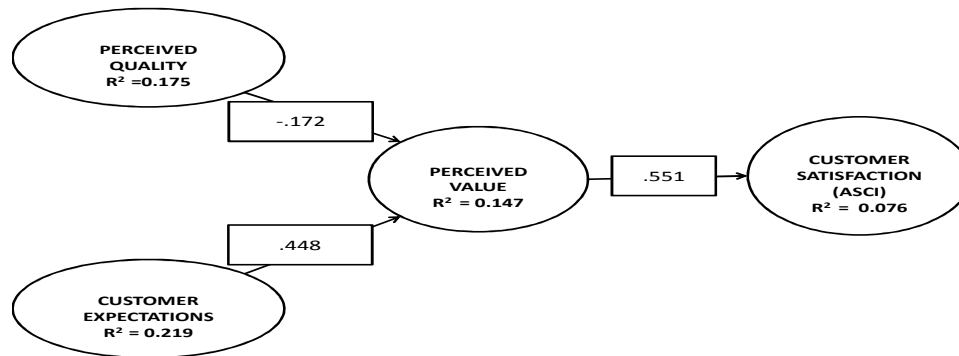
OVERALL ANALYSIS

FIRST SIGNIFICANT RELATIONSHIP

The first significant relationships in this paper, as depicted in Fig. 4, are: PQ and PV, CE and PV, PV and CS.

Firstly, the coefficient in the relationship between perceived quality and perceived value is negative -0.172, which indicates the perceived quality has a very weak impact on perceived value. Vayu Vajra buses service is a traditional service and only provides the quality of service but not the specific production. Hence, it is hard to say that Vayu Vajra Services provide a good or bad quality of service and it is also hard to evaluate if it is worth to achieve the perceived value.

FIGURE 4: THE SIGNIFICANT RELATIONSHIP IN ACSI MODEL



Secondly, the coefficient in the relationship between PV and CE is also high (0.898). Vayu Vajra is the only one bus service provider to and from BIAL other than Private Taxis and hence it monopolises the market. The customer expectation has a positive impact on PV; the R-square value is not high. .

Thirdly, the relationship between PV and CS is positive, and to some extent, the price of the bus ticket is fixed. Hence, the researchers are of the opinion that the price has an influence on CS.

In summary, the coefficients and R-square values in model shows that there are positive effects between them, the correlation between CE and PV, CS and PV are also positive except the correlation between PQ and PV. Considering that Vayu Vajra services, provided by state owned bus transport corporation BMTC, are the only one bus service provider to and from BIAL other than Private Taxis, the researchers are of the strong opinion that the ACSI model is unsuitable.

SECOND SIGNIFICANT RELATIONSHIP

There are three antecedents: perceived quality, perceived value, and customer expectation have positive correlation on customer satisfaction.

The coefficients and R-square values in the relationship are positive and hence, it can be conclude that there is a relationship of cause and effect between two parameters and CS. This study filters the three antecedents and the PV is ignored, CE can have influence on PQ but do not have direct impact on CS. Hence, according to this model, the equation can be modified as :

TABLE 7: MODIFIED EQUATION

$PQ = C + \beta_0 CE + \delta,$
$CS = C + \beta_1 PQ + \delta$

It means PQ has the largest impact on CS and hence Vayu Vajra buses must improve the service of quality to achieve CS. Through the survey, it can be concluded that some customers are satisfied and some are not. Moreover, many of them are dissatisfied with the frequency.

SUGGESTIONS

The suggestions in this study are as follows:

Firstly, Vayu Vajra buses should get in touch with customers frequently in order to know the customer expectations, through questionnaire or interview, to get the feedbacks, because the more information the company have, the more ways the company can think of improving.

Secondly, Vayu Vajra should analyze these feedbacks, analyse the useful expectations and try to find the good way to improve the quality of service, so that achieve Customer Satisfaction.

Finally, BMTC should know what expectations the customers have so as to provide quality of service, to meet customer needs and fulfill the customer satisfaction.

CONCLUSION

The customer satisfaction index models have been used commonly in the marketing strategies. The higher the customer satisfaction, the higher competitive power firms obtain. The American customer satisfaction model used survey method to collect the data and estimate the indices. This study collected the data from 216 air passengers in Bangalore using Vayu Vajra Bus services and based on the ACSI model, key factors in Vayu Vajra buses service were analysed.

There were two types of model: the outer model and the inner model. This paper estimated PLS value in the inner model; as the coefficients for each latent variable and R² statistics shown and all relationships between latent variables.

Based on the research, the authors are of the strong opinion that the ACSI model is unsuitable for Vayu Vajra bus case since Vayu Vajra bus service is provided by BMTC, a traditional public service. It has its own specificity and is different from the normal service, even from the normal public service like Government hospital. Vayu Vajra Bus services try to provide the convenient service to people but not with the purpose of making profit.

Based on the arguments put forth above, the ACSI model had been modified as “customer expectation—perceived quality—customer satisfaction” and accordingly the equation changed to:

CS = C + β₁PQ + δ

while PQ = C + β₀CE + δ.

To summarize, the ACSI model provides a complements to conventional measures, and Fornell (1996) suggested that the customer satisfaction is more quality-driven than value-or price driven (Fornell 1996); similarly, this study found a positive relationship between PQ, CE and customer satisfaction. The service marketing is the trade of the global field, especially for a service company like BMTC and it is necessary to recognize the need for quality improvement. So it is noteworthy that this study empirically examines the relationships between three customer satisfaction factors and finally finds a suitable model for Vayu Vajra bus services, about how to achieve customer satisfaction, by expanding previous research and based on ACSI model.

SCOPE FOR FURTHER RESEARCH

Vayu Vajra bus service is provided by BMTC, a traditional public service. It has its own specificity and is different from the normal service, even from the normal public service like Government hospital. Vayu Vajra Bus services try to provide the convenient service to people but not with the purpose of making profit. Hence, a study may be conducted using the same ACSI model for a service oriented organisation which is operating with a motive of making profit and also the same study can be carried out for comparison purpose in the same sector as to how the ACSI model helps in terms of identifying the gap in the services so as to enhance the same to satisfy their customers and thereby delight them if possible.

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MOMENTUM COEFFICIENT (Me) – AN EFFECTIVE TECHNICAL TOOL FOR PROJECTING TIME & PRICE TARGET CORRELATION IN THE PROGRESSION OF TRADABLE FINANCIAL SECURITIES

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ABSTRACT

Investors and traders in Financial Markets use Technical Analysis for planning and executing their trades. The rallies and reactions help them make profits if the price and time extensions as well as retracements are effectively judged. Momentum Coefficient is being introduced as an effective technique for these investors and traders. This technique is the improvisation of the retracements and extensions recommended by the fathers of Technical Analysis.

KEYWORDS

Price Extension, Price Retracement, Technical Analysis, Time Extension, Time Retracement.

OBJECTIVE

The objective of this research paper is to provide a simple but effective basis for identifying price and time, retracements and extensions to the traders and investors. The purpose is to confirm beyond doubt that matrices defined in this paper are the common effective ratios tried, tested and profitably used by the technicians.

INTRODUCTION

Technical Analysts have been striving to discover methods for identifying relationship between the price retracements & extensions. Fibonacci ratios¹ is one of the techniques used in this context. Elliot Wave² & Harmonic Patterns³ has been developed on Fibonacci ratios. Momentum Coefficient is simple yet effective method that can help the analysts significantly. This technique is not a discovery but it is certainly an experientially proved & extensively tested methodology having immense practical utility.

Momentum coefficient⁴ is defined as the ratio of percentage extension⁵ (% e) to percentage retracement⁶ (% r) in the successive peaks & troughs.

$$\text{Momentum Coefficient (Mc)} = \frac{\% e}{\% r}$$
Possibilities Mc = 1, Mc > 1, Mc < 1

If momentum coefficient is 1, the trend is sideways⁷, if it is greater than 1, the ongoing trend is gaining momentum & if momentum coefficient is smaller than 1, the ongoing trend is losing momentum. Retracements & Extensions⁸ are identified at three different levels i.e. on three sequential time frames – Tides, Waves & Ripples indicating three dynamic trends - Major, Intermediate & Minor trends respectively. Retracements & Extensions on Ripples signal the beginning or end of the rally or reaction. Generally, in the first phase of a strong bullish rally, Ripples have Momentum coefficient greater than 1. In the second phase, Waves have Momentum coefficient greater than 1. In the third phase, Tides have Momentum coefficient greater than 1. During the bullish trend, at times, Momentum coefficient equals 1, when consolidations or lines are formed, but seldom do we see Momentum coefficient smaller than 1.

The recurrence of Momentum coefficient smaller than 1 on Ripples is an indication of the weakening of bullish trend⁹ which decelerates the momentum of Waves & finally that of Tides. Similar developments are consistently seen when a stronger bearish trend¹⁰ is in progress.

TREND MATRIX¹¹

Trend Matrix defines the probable relationship between the % retracement & % extension level as well as between the % retracement & % extension level in a progression. This is useful in applying momentum coefficient in practice. The only limiting factor is the unfolding of reverse divergences¹².

TREND MATRIX (TABLE 1)¹³

% r (Retracement)	% e (Extension)	% r (Retracement)
33.33	100.00	33.33
50.00	66.66	50.00
66.66	50.00	66.66
100.00	33.33	100.00

TREND MATRIX RULES

- i. If % r is less than 33.33 %, the probable % e is around 100 %. If % e < 100%, the progression is weakening. If % e > 100 %, the progression is strengthening.
- ii. If % r is more than 33.33 % but less than 50 %, the probable % e is around 66.66 %. If % e < 66.66 %, the progression is weakening. If % e > 66.66 %, the progression is strengthening.
- iii. If % r is more than 50 % but less than 66.66 %, the probable % e is around 50 %. If % e < 50 %, the progression is weakening. If % e > 50 %, the progression is strengthening.
- iv. If % r is more than 66.66 % but less than 100 %, the probable % e is around 33.33 %. If % e < 33.33 %, the progression is weakening. If % e > 33.33 %, the progression is strengthening.
- v. All these rules are also applicable to % r & % e before a rally or reaction for price projections after the end of the rally & reaction. % r & % e are not the exact levels but are near ranges. It is also important to note that while considering % retracement levels, closing rates are important. Rules for the % r & % e should be applied on the basis of closing rates.

TIME MATRIX¹⁴

This technique is immensely useful in identifying the time targets of the progression. Time Matrix defines the probable relationship between the % retracement time & % extension time as well as between the % extension time & % retracement time in a progression.

TIME MATRIX (TABLE 2)¹⁵

% Rt (Retracement Time)	%Et (Extension Time)
Rt < 33.33	Et < 100.00
33.33 < Rt < 50.00	Et < 133.33
50.00 < Rt < 66.66	Et < 150.00
66.66 < Rt < 100.00	Et < 166.66
Rt > 100.00	Et > 166.66

TIME MATRIX RULES

- i. Retracements¹⁶ that take less than 33.33 % of the preceding progression (upward or downward) time have high probability of achieving the extension targets within 100 % of the progression time. If the targets are not achieved within this time, it is advisable to recalculate the trend & time targets.
- ii. Retracements that take more than 33.33 % but less than 50 % of the preceding progression (upward or downward) time have high probability of achieving extension targets within 133.33 % of the progression time. If the targets are not achieved within this time, it is advisable to recalculate the trend & time targets.
- iii. Retracements that take more than 50 % but less than 66.66 % of the preceding progression (upward or downward) time have high probability of achieving extension targets within 150 % of the progression time. If the targets are not achieved within this time, it is advisable to recalculate the trend & time targets.
- iv. Retracements that take more than 66.66 % but less than 100 % of the preceding progression (upward or downward) time have high probability of achieving extension targets within 166.66 % of the progression time. If the targets are not achieved within this time, it is advisable to recalculate the trend & time targets.
- v. Retracements that take more than 100 % of the preceding progression (upward or downward) time have high probability of achieving extension targets after 166.66 % of the progression time. If the targets are not achieved within 200 % time, it is advisable to recalculate the trend & time targets.

THE RESEARCH METHODOLOGY USED FOR TESTING THE PRACTICAL EFFECTIVENESS OF THIS TECHNICAL TOOL

1. 28 Active NIFTY¹⁷ stocks are selected for this research work, on the criterion of being traded continually from November 1994, i.e. from the inception of the National Stock Exchange (NSE).
2. 150 Cases of these 28 selected stocks are considered to test the Price & Time Matrix observations on 25 cases each on Hourly, Daily, Weekly, Monthly, Quarterly & Half Yearly Charts.
3. Out of the 150 cases, in 131 (87.34 %) cases Price Matrix observations are precisely confirmed, whereas failures are confirmed in 19 (12.66 %) cases.
4. Out of the 150 cases, in 118 (78.67 %) cases Time Matrix observations are precisely confirmed, whereas failures are confirmed in 32 (21.33 %) cases.

FINDINGS & CONCLUSIONS

Overall effectiveness of Price & Time Matrix methods is sufficient to indicate the utility of this technical tool in projecting price & time targets. It has been proved with sufficiently larger sample size representing ranging as well as trending market conditions that simplicity is the essence of effectiveness and proven strategies, tools and studies seldom have complex assertions.

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17. NSE-50 Index

STUDY OF BRAND RECALL OF CONSUMER DURABLES AMONG CONSUMERS IN PUNJAB**BHAVNA PRASHAR****ASST. PROFESSOR****INSTITUTE OF MANAGEMENT STUDIES****BADDI UNIVERSITY OF EMERGING SCIENCES & TECHNOLOGY****BADDI****SHWETA DHIR****ASST. PROFESSOR****INSTITUTE OF MANAGEMENT STUDIES****BADDI UNIVERSITY OF EMERGING SCIENCES & TECHNOLOGY****BADDI****ANUPAMA SHARMA****ASST. PROFESSOR****INSTITUTE OF MANAGEMENT STUDIES****BADDI UNIVERSITY OF EMERGING SCIENCES & TECHNOLOGY****BADDI****ABSTRACT**

The process of political-economic revolution from a semi-controlled economy to a semi-liberalized one began as IMF conditionality in 1992 and twenty years later India is emerging as one of the largest markets for commodities and services. New players have entered the market and many of the older ones have had to make way for them. An era of mergers, acquisitions, hostile bids, de-acquisitions and other forms of strategic alliances has followed. In 1991-2 the business houses which were asking for a level playing field are now asking for some sort of protection against foreign competition (c.f. Sadri 2003, 2007). New barons are entering the foray for a larger slice of the proverbial cake. Brand Identity, Brand Positioning, Brand Personality, Brand Association, Brand Essence, Brand Image, Brand Loyalty, Brand Equity, etc. were, until now, terms used in the postgraduate classroom and executive development seminars are now being heard in the corporate corridors. When the rules of the game have changed, when the raj of licenses and controls has started giving way to a free market, the time is ripe to pose the question: what essentially does Brand Management mean in the Indian context? As we enter the dawn of the new century, specialists in Marketing and a specialist in Finance jointly take up the issue of Branding essentially from a management science viewpoint.

KEYWORDS

Brand Recognition, Brand recall, Consumer behavior.

INTRODUCTION

This methodological paper focuses on how the brand owner could use different facets of brand management through the study of brand recall in order to develop and maintain a sustainable brand. Needless to say, that the perspective adopted for the prognosis is an Indian one. Accordingly, the paper looks at what kinds of consumer preferences exist in the market, the relevant brand positioning statements, the perceived brand personality, and the way this is being communicated through advertisements. Sadri and Jayashree (2007) have argued that business ethics and corporate governance combine to produce conditions for organizational excellence. Sadri and Guha (2007) have argued that excellence cannot be an end in itself but must lead to business sustainability. This paper deduced that a scientific study would help in making (i) companies less vulnerable to marketing mistakes; (ii) increase customer loyalty and improve sales figures; and (iii) enhance the ability to strategize the advertisement and media plan. These were the three tangible and logical benefits that would flow from successful Brand Management so as to enable the organization to attain business excellence and sustainability. This paper also found that not having a complete understanding about branding, a marketing strategist was likely to make a *fatal error*.

BACKGROUND

David Ogilvy had famously declared that *any damn fool can put on a deal, but it takes genius, faith, and perseverance to create a brand*. Hence Ogilvy could observe that *the Brand is a cult object...it has charisma...Brands are a part of the fabric of life*. On the other hand, Stephen King had gone on to argue that *a product is something that is made in a factory; a brand is something that is bought by a customer. A product can be copied by a competitor; a brand is unique. A product can be quickly outdated; a successful brand is timeless*.

The question is then posed: *what was a brand?* The word *Brand* was derived from the Old Norse word *bran* which meant "to burn." It implies in name, term, sign, symbol, or design, or a combination of them to identify the goods or services of one seller or group of sellers and to them from those of the competition according to the *American Marketing Association*. The first use of a brand was just that - a mark of ownership on cattle. There are ancient Egyptians mural paintings that picture the branding of different animals. The old Sassing culture depicted two guardians of religion in the form of winged bulls with a lion's mane and a human face called Sarosh and Burgis. These adorned all entrances belonging to the State ever since the reign of Darius. In India ever since the days of Chandragupta Maurya the symbol of the Swastika was placed on all important doorways. Later, trademarks were used to define individual products. The red triangle of BASS, the first trademark registered in England, was designed to help the illiterate drinker recognize and differentiate William Bass's Fine India Pale Ale from other inferior products available at the time. An article in the *Financial Times* (Nov 2008) described a brand as something that *exists in the collective mind of the consumer*. Some others have seen it as the *promise that you make to your customer*.

On the basis of the investigation made thus far this paper could posit that our focus of inquiry is nothing but to understand and explain the process used to define the branding of the product or service. So this paper would ascertain the brand's unique value proposition in the mind of customers and how effectively brand can earn a "Share of Heart" and "Share of Mind" of customers. The next issue is with respect to the management of brands: are brands Advertisement and Brand Promotion, relevant and enduring in line with the customer's personality and henceforth leading to "Brand Identity". There is no two ways about the fact that a brand personality can make or break a brand and can even become the vehicle to express a customer's identity. That is, a brand personality and customer's identity has a close and mutually influencing relationship. A brand without a personality, not unlike a person, lacks friends and may be easily overlooked; it lacks association and tends to lose its essence what then to ask about its positioning. This is especially the case with FMCGs in India whose sale depends on easy brand recall.

DEFINITIONAL PREMISE

This paper, based on empirical research, successfully tables an approach in respect of positioning sustainable brands. Hence it is only logical that certain terms be defined at the very outset. This will enable the reader to place the paradigm in its proper perspective. The moot question this paper seeks to ask is this: can this paper see Brand Recall as an all encompassing phenomenon within which the other facets are subsumed? If the answer is in the affirmative, then the paradigm can be safely posited.

Brand management starts with understanding what 'brand' really means in the mindset of the corporate leaders who define the brand and control its management following top-down to reach to the people who interface with customers or who create the products which customers use.

Brand identity is the complete package of a business to its customers. Identity is essentially the reality, that is, what your brand actually is! This is what you attribute to your brand, what you, as the company, decide to portray the brand as and the messages you determine it represents and conveys.

Brand Personality is the immediate emotional "take-way" or response that people have to a brand. When they hear a brand name or see, smell, taste or touch the product, it's that first involuntary thought that comes to their mind.

Brand Positioning is a comparative concept as to how one brand is perceived relative to others that may be considered. A brand position demonstrates a brand's advantage over its competitors.

Brand Association relates to when people think of your brand and realize whether it is something they want to be associated with.

Brand Image is the market's perception of your brand identity, which may or may not coincide with your intended brand identity. That is, what your customers believe your brand to be (or represent) after taking in all the visual, verbal, and messaging cues they receive from you and other secondary sources.

Brand Recall is the extent to which consumers remember advertising and other messages they have been sent about a brand. It is a type of brand awareness where the consumer recognises or identifies a brand, using information from their memory.

A BRIEF DESCRIPTION OF THE STUDY

The proposed study based upon the empirical research seeks to show what factors impact the decision of a middle class housewife in choosing domestic appliances. Hence, the study concentrates on one hand on the effectiveness of advertisements and on the perception of the middle class consumer which further leads to Brand Recall and therefore has a marked impact on the purchasing decisions.

Brand Identity is essentially a unique set of functional and mental associations that the brand aspires to create or maintain. These associations represent what the brand should ideally stand for in the minds of customers, and imply a potential promise to customers. It is important to keep in mind that the brand identity refers to the strategic goal for a brand while the brand image is what currently resides in the minds of consumers. Therefore, *Brand Identity* can be established empirically on formulating scores related to product dimensions such as Marketability (to what extent are the benefits clear to you and believable?), Dependability (to what extent are you sure of its performance), Conformance (to what extent reliability in quality you find), Distinctiveness (to what extent you see unique solutions in its features), and Acceptability (to what extent are you expecting the current gap getting fulfilled on account of design and style). That is, brand identity can be said to be a function of Marketability, Dependability, Conformance, Distinctiveness, and Acceptability.

Brand Image is a unique set of associations within the minds of target customers which represent what the brand currently stands for and implies the current promise to customers. The brand image is what is currently in the minds of consumers, whereas brand identity is aspiration from the brand owners' point of view. Therefore, the Brand Image can be seen as the function of Product Experience, Look and Feel, Experiential Communications, and Customer Service.

Brand recall reflects the potential of customer to recover a brand from his memory when given the product class/category and buying scenario as a signal. In other words, it represents the ability of the consumers to correctly recover brand from the memory when given a clue or to recall the specific brand when the product category is mentioned. With no level of uncertainty it has been accepted in the marketing world that Brand recall is based upon the Brand personality and Brand Image and how well the two does matches with personality and profile of customers. Brand Personality and Image is nothing but the way a brand speaks and behaves. It means assigning human personality traits/characteristics to a brand so as to achieve differentiation. When brand image or brand identity is expressed in terms of human traits, it is called brand personality. For instance - **Allen Solley** brand speaks the personality and makes the individual who wears it stand apart from the crowd. **Infosys** represents uniqueness, value, and intellectualism. The brands which successfully create right set of image and personality among their target customers get a better Brand Recall. The most important aspect of brand recall is the formation of information in the memory in the first place. Besides that for various categories of products, brand recall is sufficient to create sales.

A BRIEF ANALYSIS OF THE METHODOLOGY

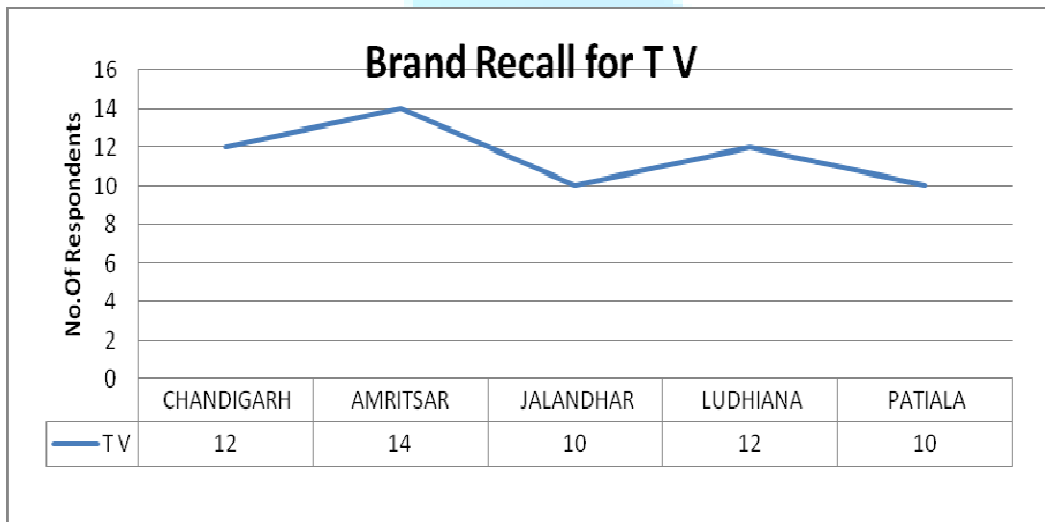
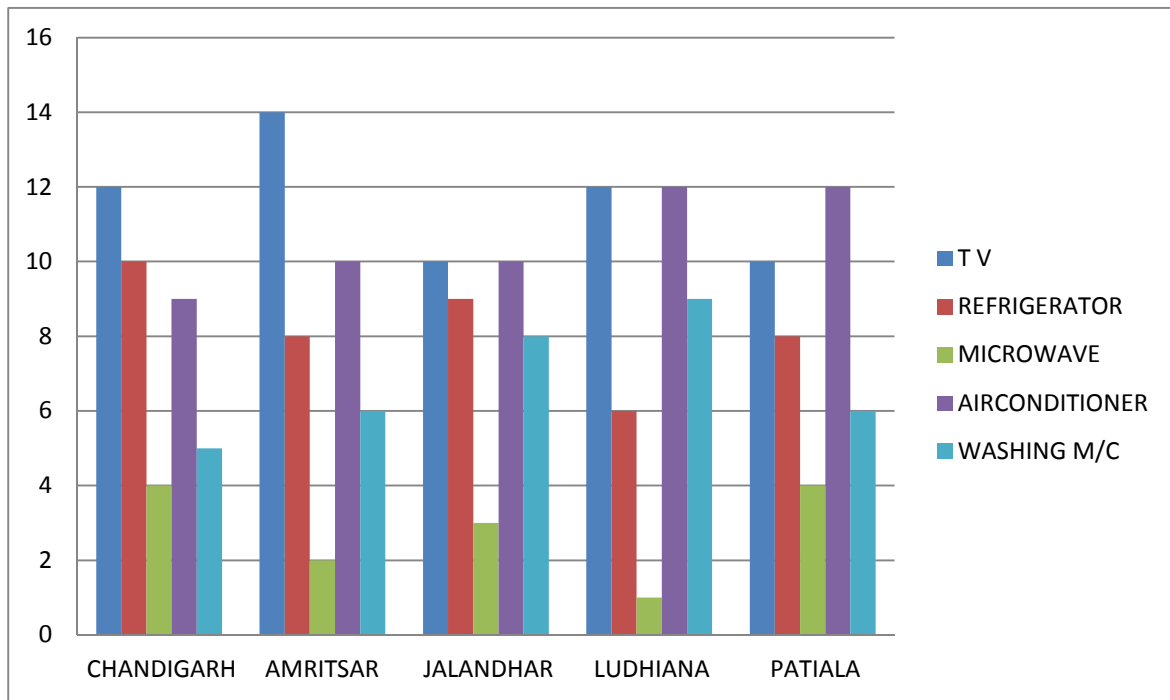
FMCG Industry accordingly was divided along five product lines covering five cities in Punjab. The emerging matrix is as follows:

TABLE 1

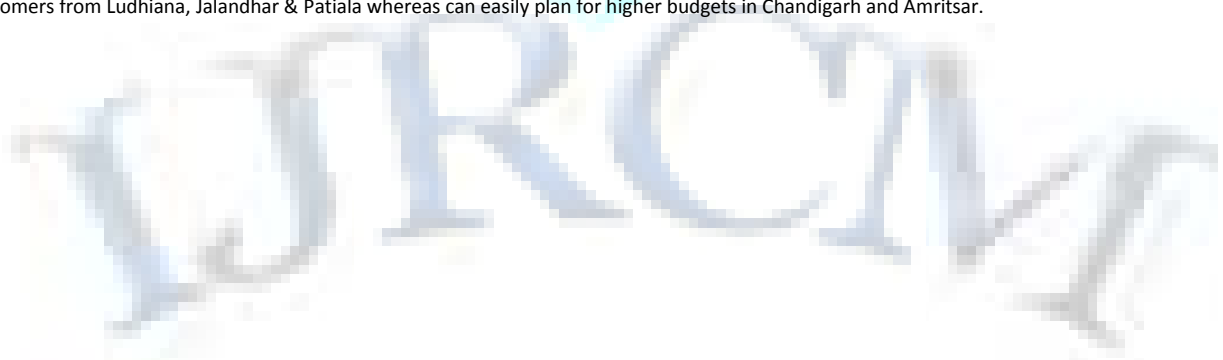
PREFERENCE INDEX OF CONSUMER DURABLES						
	CHANDIGARH	AMRITSAR	JALANDHAR	LUDHIANA	PATIALA	Total
TV	12	14	10	12	10	58
REFRIGERATORS	10	08	09	06	08	41
MICROWAVE	04	02	03	01	04	14
AIRCONDITIONER	09	10	10	12	12	53
WASHING M/C	05	06	08	09	06	34
TOTAL	40	40	40	40	40	200

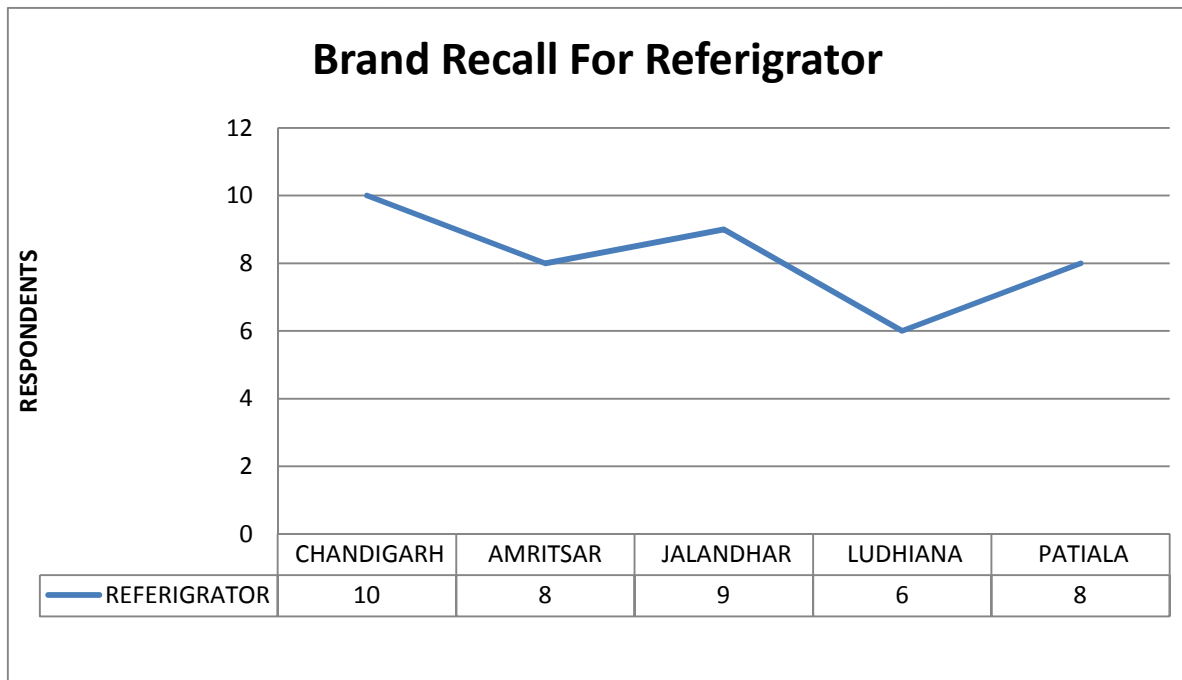
The *research question* was thus framed asking: Brand Preference in each category of FMCG Products & Relating Brands with respective advertisements and Brand Ambassadors in each category. The total number of respondents was 200. The pilot study covered 20 randomly selected housewives from five cities and on the basis of their feedback a working matrix was formulated representing the varying levels of brand recall among different cities. It also represents the relative brand recall of these five FMCG products among consumers within each city.

This index shows the total preferences in terms of durables household goods in the five major cities of north India.

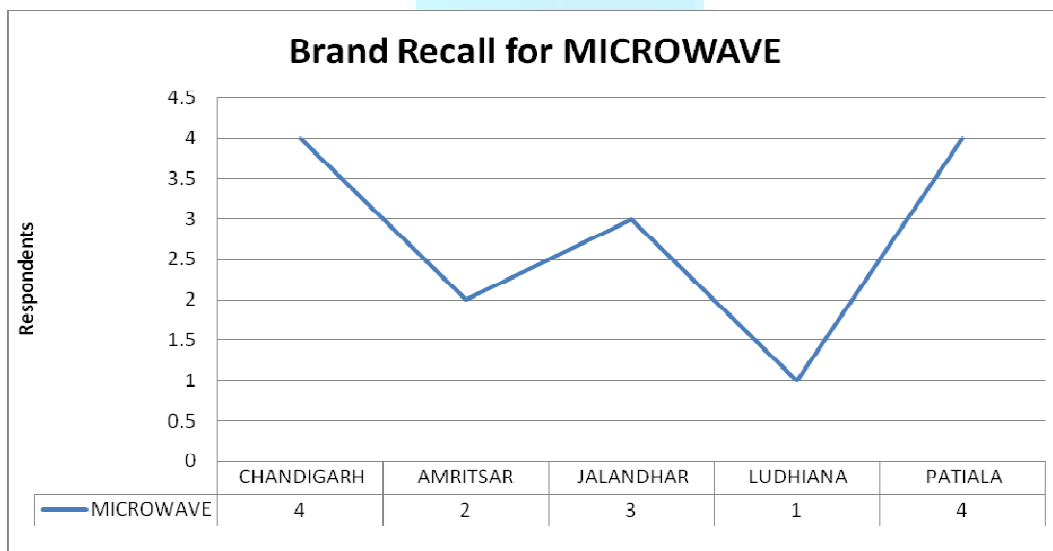


It can be deduced from the data plotted above that Chandigarh respondents had relatively higher recall for TV brands as compared to other four FMCG items whereas across cities the respondents from Amritsar have shown highest recall for various brands of TV. Hence marketers of TV ads should concentrate more on attracting customers from Ludhiana, Jalandhar & Patiala whereas can easily plan for higher budgets in Chandigarh and Amritsar.

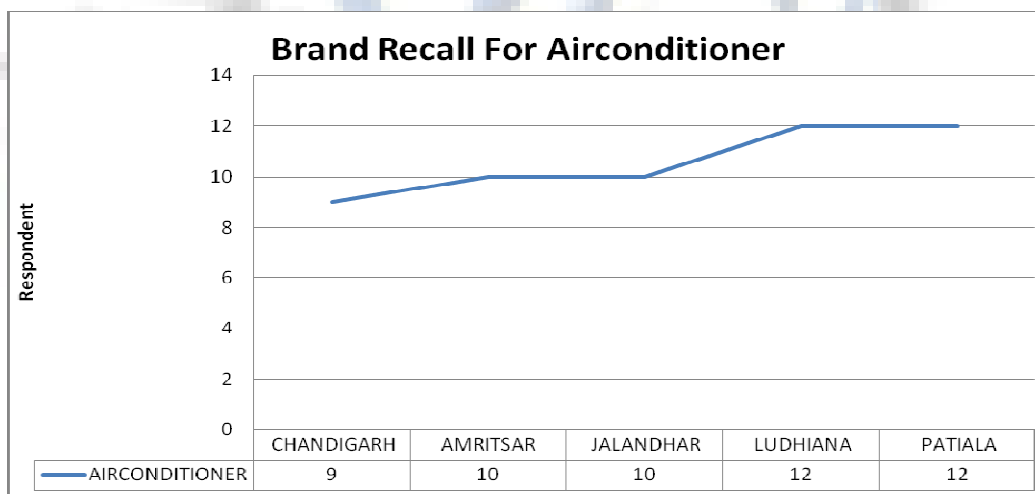




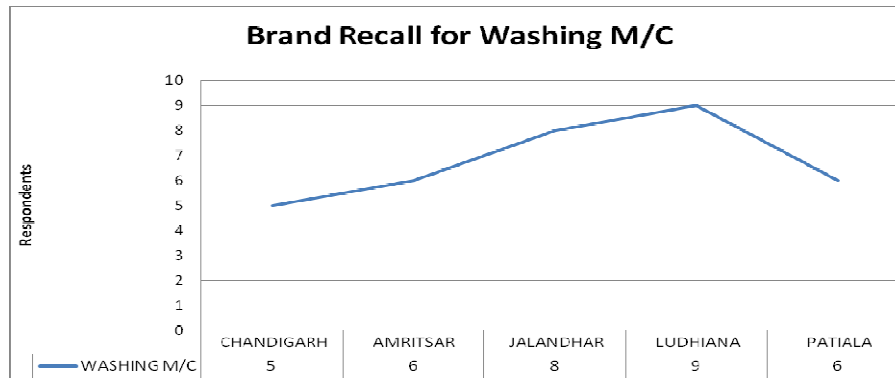
From the data plotted above it can be deduced that Chandigarh respondents are once again relatively more able to recall various brands of refrigerators among the respondents from the five cities under study whereas respondents from Ludhiana have least brand recall among cities in case of refrigerators.



It can be deduced from the data plotted above that respondents from Chandigarh and Patiala are more brand specific and have better Brand Recall for Microwave ovens. Also it has to be noted that among all consumer durable items, the recall for microwave oven has been significantly low. The marketing managers must redesign their advertising and promotion strategies to have better brand recall.



The above graph shows the highest brand recall for Air conditioner among the respondents from Ludhiana and Patiala. Surprisingly the brand recall for AC has figured out been lowest in the city Chandigarh. Despite of the highest literacy rate and highest service class sector in the city, the reason for lowest brand recall in Chandigarh could be the subject of further study for researchers



The above graph shows that the respondents from Ludhiana have highest brand recall for washing machines followed by Jalandhar as compared to respondents from other cities whereas the respondents from Chandigarh have lowest brand recall.

ADVANTAGES OF THIS STUDY

This particular study has been oriented towards understanding the relative demand for five consumer durable products in the five major cities of Punjab including the capital city Chandigarh and the variation in Brand Preference on the basis of Brand identity and brand recall among customers of five cities with respect to these consumer durable items. The study of the relative demand would help the planners to effectively use their advertising budget and the study of brand preference tries to correlate the different facets of brand management to give it an insightful strategic angle which can be commercially exploited while managing strategies for risk in branding. Such analytical study would help companies to identify most lucrative market in the state and estimating the demand per market. Besides this, it would provide a bridge to brand-managers to connect with customers, and multiply the forms of value that a brand can deliver. Above all, this study provides an aid to simulate the brand before actually putting it to test in the hands of the customer thus bridging the gap between theory and practice.

LIMITATIONS OF THIS STUDY

Even though based on a non-representative sample of subjects and a small number of brands, the items generated in study may serve as a fruitful collection of attributes for future replications. Also the size of the sample could be a grey area in the study but the efforts have been made to collect the most genuine responses from the respective respondents. Since the locations were distant the problems in approaching respondents and collecting their response has been another limitation in the study.

CONCLUSION

The trend in the data reflects the responses of housewives in the five cities. The result in the study has the reflection of psychological, economical, social as well as geographical aspects of the respective cities. Due to the busy schedules and highly competitive working environments it has been observed that the stress levels among the consumers have significantly raised and therefore almost every person falls short of leisure time when they could sit in front of Television and absorb the advertisement message. Resulting to these factors the dependency of marketers on brand recall has itself become a matter of question. This very study reflects that the fall in the brand recall has been highest in Jalandhar. The average brand recall has been found lowest in the city Jalandhar. The reasons for the same could be highly competitive business world of city. Also it has been observed that residents of Respondents chose outdoor activities as a better medium to set them on after a long hectic day and therefore hardly spare time in front of TV. That could also be one of the reasons that the brand recall for Television in specific has also been low in Jalandhar.

Almost every house has a TV and Refrigerator in Chandigarh and Amritsar and this would explain why demand for these new goods is falling. Given the service class domination and the rise of nucleus families the brand recall for microwave ovens in Patiala and Chandigarh is rising. Also the people in the two cities are more health conscious and therefore consider the advertisement messages in more serious fashion. In the case of air conditioners the hot and humid summer days and high pollution in Ludhiana, Amritsar and Jalandhar raise the interest of consumers. Also the liquidity of money in Ludhiana, Amritsar and Chandigarh is high.

High levels of humidity and pollution force people from Ludhiana to wash their clothes more regularly than the persons living in Chandigarh, Jalandhar and Patiala. For middle class housewives the washing machine was increasingly seen as a necessity rather than a luxury.

Thus this paper can be seen as a contribution to the theory of household demand affected by the brand recall on the one hand and towards an understanding of the public perception of domestic appliances and advertisement message on the other. It therefore equips the marketing manager with an instrument and a methodology to make their sales pitch that much more effective.

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TIME DEPENDENT ERROR DETECTION RATE: SOFTWARE RELIABILITY GROWTH MODELS V/S STATISTICAL TECHNIQUES

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ABSTRACT

There are several software reliability growth models which have been proposed in the past decade. This paper summarizes existing software reliability growth models (SRGM's) described by Non-Homogeneous Poisson Processes. The SRGM's are classified in terms of the software reliability growth index of the error detection rate per error. The comparison made is based on various statistical techniques. The models parameters are estimated by least square estimation (LSE) and maximum likelihood estimation (MLE) methods. The methods of data analysis and comparison criteria are presented. The experimental results from actual data applications show good fit. A comparative analysis to evaluate the effectiveness of the existing models is performed. The maximum-likelihood estimations is used for the SRGM's are discussed for software reliability data analysis and software reliability evaluation by using some statistical tool.

KEYWORDS

Error detection rate per error, maximum likelihood estimation, non homogeneous poisson process, software error, software reliability, software reliability growth models.

INTRODUCTION

In recent year's (over the period of last two decade) software system such as operating system, control programs, and application programs have been more complex and larger than ever. It is quite natural to produce reliable software systems efficiently since the breakdown of the computer, which is caused by software errors results in a tremendous loss and damage of social life. Hence software reliability is one of the important key issues in modern era of software product development. In other words software reliability is one of the important issues of today's software development [10]. Several software reliability models have been proposed during past decades. In Software development life cycle, software testing is the phase where a software system is tested to detect software errors remaining in the system and correct them. A Software reliability model describing such an error detection phenomenon is called software reliability growth model, SRGM [10]. An SRGM describe a software error detection process and estimate software remaining in the software. Using software reliability data analysis based on the SRGM, we can evaluate software reliability equation Goel and Okomoto [8], Littlewood [18], Musa [20], Yamda et al.[24]. This paper presents the useful methods of software reliability analysis based on SRGM's described by Non-Homogeneous Poisson Process (NHPP's) and comparison of SRGM's is done with existing statistical techniques which are based on regression analysis. The software reliability growth index of the error detection rate per error which characterizes the software reliability testing phase is defined and the quantitative measures of software reliability evaluation are derived. Rest of the paper is described as follows. Section 2, contains the literature review. In section 3 some of the exiting SRGM's are described with assumptions and notation used to form these models. Section 4 is having information about the statistical tools and curve fitting techniques based on principal of least square. Section 5 is having conclusion obtained on basis of comparison between the two models.

LITERATURE REVIEW

The efforts to improve the software development process are accompanied with parallel efforts aiming at ensuring high quality software systems. The software quality assurance consists of those procedures, techniques and a tool applied by professionals to ensure that a software product meets or exceeds pre-specified standards during software development cycles. The quality of the software system has many attributes such as complexities, maintainability, portability, usability, security, reliability, availability etc.

As the size and complexity of computer systems has grown significantly during the past decades. Computers are used in medical fields, businesses, chemical labs, air traffic control towers, ships, space ships, home appliances, communication, manufacture and many more. Software is a functioning element embedded in computers that plays vital role in the modern life. Errors are bound to happen as software is written by humans. Before, the focus was only on the design and reliability of the hardware. But, now increase in the demand of software has led to the study of the high quality reliable software development. Reliability is the most important aspect since it measures software failures during the process of software development. Software reliability is defined as the probability of failure free operation of a computer program for a specified time in a specified environment (Musa et al., 1987)[20]. Many researches have been conducted over the past decades (Pham, 2000; Lyu, 1996; Musa et al. 1987)[22] and still going on, to study the software reliability. A common approach for measuring software reliability is by using an analytical model whose parameters are generally estimated from available data on software failures (Lyu, 1996[19]; Musa et al. 1987 [22]). A software reliability growth model (SRGM) is a mathematical expression of the software error occurrence and the removal process. In early 1970's, many software reliability growth models (SRGMs) have been proposed (Lyu, 1996[19]; Xie, 1991[27]; Musa et al., 1987 [22]). A Non-homogeneous Poisson process (NHPP) as the stochastic process has been widely used in SRGM. In the past years, several SRGMs based on NHPP which incorporates the fault detection or fault correction process by NHPP following the basic assumption of GO model.(Kapur et.al., 2010)[18] have been proposed by many authors (Yamada et al., 1986; 1987; 1993; Yamada and Ohtera, [25] 1990; Kapur and Garg, 1996[14]; Kapur and Younes, 1994;[17] Huang et al., 1997; 2007;[12,13]; Huang and Kuo, 2002;[11] Huang, 2005;[10] Bokhari and Ahmad, 2006; 2007 [5]; Ahmad et al., 2008; 2009;[6]). The testing-effort can be represented as the number of CPU hours, the number of executed test cases, etc. (Yamada and Osaki, 1984 [23]; Yamada et al., 1986, 1993 [25, 26]). Most of these works on SRGMs modified the exponential NHPP growth model (Goel and Okumoto, 1979) [8] and incorporated the concept of testing-effort into an NHPP model to describe the software fault detection phenomenon.

However, the exponential NHPP growth model is sometimes insufficient and inaccurate to analyze real software failure data for reliability assessment. In this paper we show how to integrate a Log-logistic testing-effort function into inflection S-shaped NHPP growth models (Ohba, 1984; 1984a)[24] to get a better description of the software fault detection phenomenon.

The parameters of the model are estimated by Least Square Estimation (LSE) and Maximum Likelihood Estimation (MLE) methods. The statistical methods of data analysis are presented and the experiments are performed based on real data sets and the results are compared with other existing models.

SOFTWARE RELIABILITY GROWTH MODELS

Let us consider an implemented software system which is tested in the software development. A software failure is defined as an unacceptable departure of program operation caused by a software error remaining in the system.

ASSUMPTIONS

1. A software system is subject to software failures at random times caused by errors present in the system.
2. The initial error content of the software system is a random variable.
3. The number of faults detected at any time instant is proportional to the remaining number of faults in the software.
4. The time between failure (k-1) and k depends on the time to failure (k-1).
5. Each time a failure occurs, the error which caused it, is immediately removed and no other errors are introduced.

NOTATIONS USED

- $m(t)$: Expected number of faults identified in (0,t], mean value function of NHPP
- a, b : constants, representing initial fault content and rate of fault removal per remaining for a software.
- $b(t)$: failure detection rate per fault

The testing time such as the calculation time or the machine execution time is generally used as the unit of error detection period which describes the time-dependent behavior of the cumulative number of errors detected by software testing.

Let $\{N(t), t \geq 0\}$ be a counting process representing the cumulative number of errors (or failures) detected in time interval (0,t]. Then the expected value of $N(t)$ called a mean value function of an NHPP, is defined by $M(t)$. An SGRM based on an NHPP can usually be formulated as

$$\Pr\{N(t)=n\} = \frac{M(t)^n}{n!} e^{-M(t)}, t \geq 0 \quad (n=0,1,2,\dots) \tag{1}$$

It is considered as

$$M(t) = \int_0^t m(x) dx \tag{2}$$

then $m(t)$ is called an intensity function of an NHPP, which means the instantaneous error detection rate. Defining $a (= M(\infty))$ as the expected cumulative number of errors to be eventually detected, i.e., the expected initial error content to be estimated, and can be easily shown as

$$\lim_{t \rightarrow \infty} \Pr\{N(t)=n\} = \frac{a^n}{n!} e^{-a} \quad (n=0,1,2,\dots) \tag{3}$$

which implies that $N(t)$ obeys a Poisson distribution. with mean a after the testing of infinitely long duration. As a useful software reliability growth index, the error detection rate per error (per unit time) at testing time t is given by

$$d(t) = \frac{m(t)}{[a - M(t)]} \tag{4}$$

We have the relationship between $d(t)$ and $M(t)$ as

$$M(t) = a \left[1 - e^{-\int_0^t d(u) du} \right] \tag{5}$$

The following definitions characterizing a software reliability growth aspect in software testing can be introduced. [11]

Definition 1: $M(t)$ is an increasing error detection rate (IEDR) (mean value) function if $d(t)$ is non-decreasing in $t, t \geq 0$.

Definition 2: $M(t)$ is a decreasing error detection rate (DEDR) (mean value) function if $d(t)$ is non-increasing in $t, t \geq 0$.

Definition 3: $M(t)$ is a constant error detection rate (CEDR) (mean value) function if $d(t)$ is constant ($t \geq 0$).

Hence a software reliability growth process characterized by the IEDR (DEDR) function indicates increasing (decreasing) test efficiency.

The following random variables are defined for deriving the quantitative measures for software reliability evaluation:

$N(t)$: number of errors remaining in the system at testing time t , i.e., $N(\infty) - N(t)$,

X_k : Time interval between $(k - 1)$ st and k th failures ($k=(1,2,\dots,n)$),

S_k : The k th failure occurrence time, ie, $\sum_{i=1}^k X_i$

Then, the expectation and variance of $\bar{N}(t)$ are given by

$$\begin{aligned} n_r(t) &= E[\bar{N}(t)] \\ &= a e^{-\int_0^t d(u) du} \\ &= \text{var}[\bar{N}(t)] \end{aligned} \tag{6}$$

The so called software reliability is the conditional survival probability of X_k given that $S_{k-1}=t$ and is given by

$$\begin{aligned} R(x/t) &= \Pr\{X_k > x \mid S_{k-1} = t\} \\ &= e^{-\int_0^{t+x} d(u) du} - e^{-\int_0^t d(u) du} \end{aligned} \tag{7}$$

which is independent of k . The software reliability presents the probability that a failure does not occur in $(t, t+x]$.

EXISTING SRGM'S

A software reliability growth curve representing a relation between the time span of software testing and the cumulative number of detected errors is observed in a software testing phase.

There are two types of shape for the observed software reliability growth curve: exponential and s-shaped software reliability growth curves are called the exponential and s-shaped SRGM's respectively. There are several software reliability growth models based on NHPP are briefly summarized below.

Goel and Okomoto [8] first proposed an SRGM based on NHPP. This model is called exponential SRGM, which describes a software failure detection phenomenon. The mean value function showing an exponential growth curve as

$$m(t) = a(1 - e^{-bt}), \quad b > 0 \tag{8}$$

where b is the error detection rate per error t an arbitrary testing time.

Delayed S-shaped SRGM [8] fault detection in this model is assumed to be a two-phase process consisting of failure detection and it's eventual removal by isolation. It takes into account the time taken to isolate and remove a fault and so it is important that the data to be used here should be that of fault isolation. It is further assumed that the number of faults isolated at any time instant is proportional to the number of faults remaining in the software. Failure rate and isolation rate per fault are assumed to be same and equal to b.

Thus $\frac{d}{dt} m_f(t) = b[a - m_f(t)]$... (9)

$$\frac{d}{dt} m(t) = b[m_f(t) - m(t)]$$
 ... (10)

$m_f(t)$ is the expected number of failures in $(0, t]$. Solving (9) and (10), which gives the mean value function as

$$m(t) = a \left\{ 1 - (1 + bt) e^{-bt} \right\}$$
 ... (11)

Alternately the model can also be formulated as one stage process directly as follows.

$$\frac{d}{dt} m(t) = \left(\frac{b^2 t}{1 + bt} \right) (a - m(t))$$
 ... (12)

It is observed that $\frac{b^2 t}{1 + bt} \rightarrow b$ as $b \rightarrow \infty$. This model was specifically developed to account for lag in the failure observation and its subsequent removal. This kind of derivation is peculiar to software reliability only.

Another S-Shaped SRGM was proposed by Ohba[11] The model is called Inflection S-Shaped SRGM, which describes a software failure detection phenomenon with a mutual dependence of detected errors. In the error detection process, the more failures we detect, the more undetected failures become detectable. This NHPP model has mean value function of

$$M(t) = \frac{a [1 - e^{-bt}]}{[1 + c \cdot e^{-bt}]}, \quad b > 0, c > 0, \tag{13}$$

which shows an S-Shaped growth curve. The parameters b and c represent the failure detection rate and the inflection factor, respectively.

Here three models having M(t) ,mean value function with NHPP are compared for actual data. The models compared are : the NHPP model and two deterministic models of fitting curves ie logistic and Gompertz Curves, based on regression analysis . They are denoted as GO(Goel and Okomoto), LC (Logistic curve) and GC (Gompertz Curve) respectively .

The table below shows the result of cumulative number of detected error during the test and after the test . ie. Na and Ne is the estimated s-expected number of errors to be eventually detected based on each models .

$$A = \left| \frac{N_a - N_e}{N_a} \right|$$

ie

The result where $N_a = 42$ in the criterion of the accuracy of estimation ie 11 additional errors were detected during the subsequent on-line system test and the actual operational of the program.

TABLE 1: ESTIMATION USING SRGM'S MODEL

Models	Criterion for Comparison		
	F	A	Est. Error
NHPP Model With M(t)	12.6	9.7%	37.9
GO Model	31.5	160.6%	109.5
LC Model	767	37.0%	26.5
GC Model	794	18.6%	34.2

Where "F" is the sum of square of the differences and is given by

$$F = \sum_{i=1}^{10} (N_k - \hat{N}_k)^2$$

N_k = Actual Cumulative number of errors

\hat{N}_k = Estimated number of errors detected upto time t_k ($k=1,2,3,\dots,10$)

and

A is the accuracy of estimation

STATISTICAL TECHNIQUE: CURVE FITTING

In this method the square of the difference between observed response and value predicted by the model is minimized. If the expected value of the response variable is given by $\hat{m}(t)$ (can be a mean value function of an SRGM), then the least square estimators of the parameters of the model may be obtained from n pairs of sample values $(t_1, y_1), (t_2, y_2), \dots, (t_n, y_n)$ by minimizing J given by

$$J = \sum_{i=1}^n [y_i - \hat{m}(t)]^2 \tag{14}$$

t_i and y_i observed values of explanatory and dependent variables respectively. For small and medium size samples least square estimation is preferred.

Linear – In this case the expected faults is considered to be linearly distributed as $y = ax + b$, where x represent time axis and y represent the number of faults.

Quadratic- This is the enhance version of liner method described above in which faults are assumed to be quadratic in nature given by, $y = ax^2+bx+c$. It has been seen that as the degree of equation increases the prediction error decreases.

Exponential – This is the alternate way when the degree of fitting the curve is not predictable. Exponential smoothing itself take care of fitting of curve besides the presence of number of curve in original data.

Model Description

Model Name	MOD_2
Dependent Variable	1 days of failure
Equation	1 Linear 2 Quadratic 3 Exponential ^a
Independent Variable	failure interval length
Constant	Included
Variable Whose Values Label Observations in Plots	faliure no.
Tolerance for Entering Terms in Equations	.0001

a. The model requires all non-missing values to be positive.

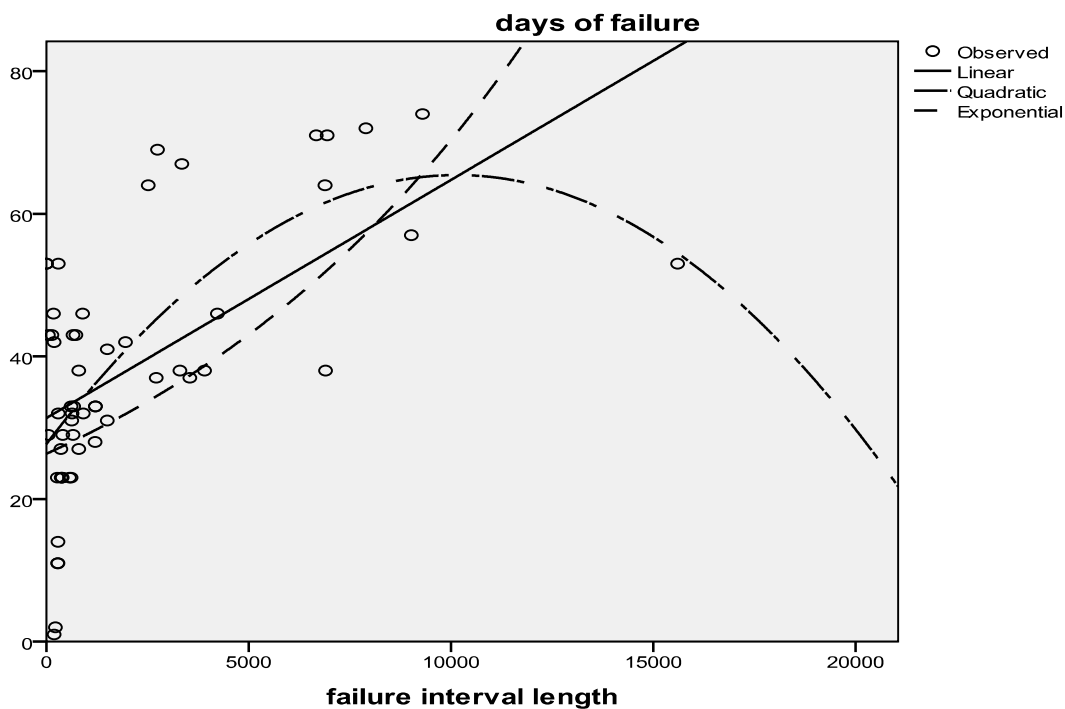
TABLE 2: ESTIMATION USING STATISTICAL MODEL

Model Summary and Parameter Estimates

Dependent Variable:days of failure

Equation	Model Summary				Parameter Estimates			
	R Square	F	Df1	df2	Sig.	Constant	b1	b2
Linear	.355	29.115	1	53	.000	31.343	.003	
Quadratic	.450	21.275	2	52	.000	27.685	.007	-3.670E-7
Exponential	.163	10.357	1	53	.002	26.336	9.826E-5	

The independent variable is failure interval length.



MAXIMUM LIKELIHOOD ESTIMATION

Maximum Likelihood Estimation (MLE) method has been extensively adopted for estimation of parameters of SRGMs based upon NHPP [7]. We briefly discuss below the MLE procedure for two types of software failure data discussed above.

For the first type of data, suppose that estimation is to be performed at a specified time t_k , not necessarily corresponding to a failure, and with total of m_k failures being experienced at time t_1, t_2, \dots, t_{m_k} . Then the likelihood function for the NHPP [7] discussed above is:

$$L = \left[\prod_{i=1}^k \lambda(t_i) \right] e^{-\int_0^{t_k} \lambda(x) dx} \quad \dots \quad (15)$$

The MLE of the Parameters can be obtained by maximizing Likelihood function or its Log likelihood function ($\log L$).

If the software failure data is grouped into k points (t_i, y_i) ; $i = 1, 2, \dots, k$, where y_i is the cumulative number of failure reports at time t_i . Then the Likelihood function L is given as follows:

$$L \equiv \prod_{i=1}^k \frac{[m(t_i) - m(t_{i-1})]^{y_i - y_{i-1}}}{(y_i - y_{i-1})!} e^{-\{m(t_i) - m(t_{i-1})\}} \quad \dots \quad (16)$$

Taking natural logarithm of (5.2.3) we get the log likelihood function

$$\text{Log}L = \sum_{i=1}^k (y_i - y_{i-1}) \ln[m(t_i) - m(t_{i-1})] - m(t_k) - \sum_{i=1}^k \ln[(y_i - y_{i-1})!] \quad \dots \quad (17)$$

The MLE of the parameters of SRGM can be obtained by maximizing (eq. 17) with respect to the model parameters.

Likelihood functions for NHPP models are defined above as most of the stochastic models discussed in this thesis are based upon NHPP assumptions. Both the estimation procedures can also be applied to other stochastic processes. Maximum likelihood estimators possess many desirable properties such as consistency, efficiency, asymptotic normality and the invariance property. Hence it is the most preferred estimation procedure for relatively large sample size.

CONCLUSION

On the basis of table 1 and table 2 it can be concluded that sometime the regression analysis techniques are better than the SRGM's models. The experimental results show that the proposed SRGM with Log-logistic testing-effort function can estimate the number of initial faults better than that of other models and that the Log-logistic testing-effort functions is suitable for incorporating into inflection S-shaped NHPP growth model.

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EMERGING ISSUES OF DEVELOPING MARKETING TACTICS THROUGH INTERNET: EVIDENCE FROM CAPGEMINI

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ABSTRACT

Application of internet has revolutionized the functioning of business all over the world. Its impact has been felt mostly in the information dependent industries as well as other industries. This study examines the penetration of internet in the context of developing marketing practices. This study has found differences in usage of IT and attitudes towards its dependence upon size of organizations. In the case of smaller companies, the low cost access to Internet and on-line systems was viewed as an expensive investment. The reach of Internet may not yet be as wide as that of other mass media, but given its unique advantages, it is undoubtedly the communication medium of the future. Marketers around the world have from time to time tried to reach their target audiences through various media. Internet is one of the latest to join the list of such media inventions. This paper examines about 4Ps marketing practices on internet, different technological internet marketing strategies and critical success factor in E-marketing. Scientific and technological advances have and will continue to create newer media to improve communication, and marketers will try to use the same to effectively address their audiences.

KEYWORDS

E-marketing Mix, Information technology, Internet marketing, Internet marketing Tactics.

INTRODUCTION

Internet has its existence since the late 1960s and was mainly used for academic purpose and to enable military people to exchange defence information. It has been estimated that after the commercialization of Internet as an international network since 1990's has resulted in its popularization and incorporation into almost every fields of modern human life. The introduction of Internet gave rise to Online marketing which helped both the retail outlets and small artisans and traders to incur growth as well as profit. The Internet is allowing greater flexibility in modern marketing by enabling companies to link their internal and external data processing systems more efficiently, the workers can now work more closely with the suppliers and partners that helps them to satisfy the requirements and expectations of their customers. The results show that when measured by the amount spent per capita, the United Kingdom has the biggest e-commerce market in the world even higher than the USA. The internet economy in UK is likely to grow by 10% in 2010 to 2015. This has led to changing dynamics for the advertising industry. Amongst emerging economies, China's e-commerce continues to expand with almost 384 million internet users. The survey shows in 2009 through online marketing China's sales has rose to \$36.6 billion as they have been successful to gather the trust level of customers. As per the economist's introduction of online marketing leads to intensified price competition as it increases the ability of the consumers to gather information about products and prices.

To bring improvement in online marketing there are various types of options that can be incurred using internet such as E-Mail, Websites, SMS, Search Engines, etc. But it has been found that due to the massive use of internet and computers for both working and business purpose has led to E-waste which contributes to pollution. To abolish such problems more emphasis has been put to the aspects of green marketing. Such pollutions can be restricted to some extent by the usage of CO2 servers which are eco-friendly. The electronic media has at the same time boosted the green business by bashing off the wastage of paper as we use computers and televisions. The main objectives of green marketing include improved environmental quality and customer's satisfaction. It is being believed by the green markets that well-crafted rules are required to assure that pollution trading does not compromise environmental objectives. Green marketing is an increasing concern of customers in all sectors. Therefore, it is essential to give importance both to the greenness of our existing business and to develop the new business model which will meet the changing priorities and demand of the customers. Green Technology is the term for any application of science towards improving the relationship between human technology involvement and the impact this has on the environment and natural resources. Generally green technology is supposed to conserve the natural environment and resources, and to curb the negative impacts of human involvement. Sustainable development is the core of this concept. When applying sustainable development as a solution for environmental issues, the solutions need to be socially equitable, economically viable, and environmentally sound. Over the past decade, the concept of Green Technology has emerged to be one of the vital issues of economical, technological and social benefits to the society. With new opportunities flourishing in the market, there is a need of new perspective of marketing for these products/services. The technological companies are implementing variety of green-oriented strategies. Impact of green technologies on sustainable development, besides creating employment opportunities, income generation and societal development particularly in rural sector is also well known. Sustainable development can be viewed as the way resources are used so as to meet human needs by preserving the environment in such a pattern like utilization of modern technologies so that both the present and future generation can be secured. It can also be considered as a social movement where a group of people gather together with same ideology to achieve a common goal. Today, to bring sustainability and eco-responsibility more attention has been given in the sectors of energy, built environment and mobility but we should also focus in the information and communications technology sector. Sustainability can be brought by reducing, reusing and recycling in the areas of power, production, waste, purchasing and education. Sustainable development can be achieved by the proper contribution of ever individual in the society. It is very essential for the production house to produce and consume in smarter ways by innovating new sustainable ways of growing economically, so that every individual gets benefitted.

SURVEY OF LITERATURE

The Internet is changing the industry structure by altering barriers to entry, minimizing switching costs, revolutionizing distribution channels, facilitating price transparency and competition, whilst enhancing production efficiency. The Internet as a distribution source has relatively high entry barriers, constraining all new entrepreneurs. IT developments, offered new opportunities for tour operators like several tour operators market their products through electronic brochures and booking forms over the Internet directly to consumers. The marketing mix is one of the central tenets of marketing literature –particularly the concept of the four P's (product, price, place and promotion) and the role these play in creating a successful approach to the marketplace. Initially,

research concentrated on the 4 P's – and even today, many authors do not consider the fact that marketing has to develop new concepts, or at least new variations of the marketing mix as a result of the introduction of the Internet. Lautenborn (1990), who developed the 4 C's, was the first author to become aware of this necessity; and some years later Kotler (1999), possibly the most widely-published author in the marketing field, took this approach. In different views of marketing literature in the point of view of 4Ps approach Kotler et al. (1999) Product, Price, Place, Promotion and 4Cs context Customer needs and wants, cost to the customer, convenience, communication, Bovée et al. (1995) Product, Price, Distribution, Promotion & 4Cs context Communication, Convenience, Customer needs. The application of the Internet in the business world has become a major trend in practice and generated a hot stream of research in the recent literature. The Internet, as a collection of interconnected computer networks, provides free exchanging of information. Over 400 millions of computers on more than 400,000 networks worldwide today are communicating with each other (Napier, Judd, Rivers, and Wagner, 2001). As such, the Internet has been becoming a powerful channel for business marketing and communication (Palmer, 1999), and for new business opportunities - as it is often called as "e-business" or "e-commerce" today (Schneider & Perry, 2001). E-commerce has been defined as "the buying and selling of products and services by businesses and consumers over the Internet" (WWW.Commerce.net). The Internet and e-commerce give consumers an opportunity - through the easy on-line information gathering and convenient online shopping - to be better prepared to purchase the right product (or service) at the right time (Schulze, 1999). In the current performance criteria for service operations, fast service delivery and prompt and reliable service have been identified as two key competitive priorities for the future Web-based service delivery operations (Verma and Young, 1997), while time-based competition through better customer service has been re-emerging as a major tool of delivering high-quality services to customers through a total operation cycle – including planning, design, processing, marketing, and distribution (Sue Abdinnour-Helm, 2000).

OBJECTIVES OF THE STUDY

The objectives of study are:

1. To study the role of technology in modern marketing.
2. To identify the major emerging issues of internet marketing strategy.
3. To study the applicability of marketing mix in the context of internet marketing.
4. To highlight different marketing tactics to promote the internet marketing
5. To figure out the internet marketing strategy with special reference to Capgemini

METHODOLOGY

This study is based on both primary and secondary data. While conducting this research study observation and survey methods are used so as to fulfill the objectives of the study. The survey included on the online marketing aspects such as e-mails, SMS, social networking, search engine optimizations and websites. The survey also showed the trend of people marketing through online with the help of Amazon and eBay. It also depicts that companies are gaining profit through advertisement on web as it creates relationship with the customer and helps the company to build interest for their coming products eg. Face book. The survey also shows that social networking sites also help to recruit individuals even of high level posts through LinkedIn. Sources of secondary data collected were legal documents, official statistics, reports, articles, publications and other documents, reports of self-government bodies and organizations websites. The reports taken from Capgemini shows how the Group emerged from its recession period and incurred 57% increase in its total profit in the year 2010 as compared to previous year. The collected data has been analyzed using ordinary method of least square regression for future prediction of revenue.

E-MARKETING

Online marketing or internet-based marketing is the one which uses internet and related digital technologies to achieve marketing objectives. It includes the Internet media and others such as wireless mobile, cable and satellite to support the concept of modern marketing. While performing online marketing one would require accessing the company's web site and can improve its search using different search engines, banner advertising, e-mail, SMS and other links. Internet Market helps in the promotion of product and services of the company through internet. There are many benefits of marketing through internet such as: lesser marketing costs and wide exposure. Through e-marketing, one can reach to masses. It focuses on large number of people, which drives maximum traffic to the companies' website.

Internet options to enhance online marketing

There are wide varieties of e-marketing options available each with their own particular strengths and weaknesses. Marketing online depends on knowing customers. The Internet proves to be one of the best ways for promoting enterprises and increasing exposure to customers.

E-mail

E-mail, commonly known as Electronic mail, is a method of exchanging digital messages between one or more recipients. It can be operated using internet or other computer network. Email has been widely accepted by the business community as the first broad electronic communication medium. It is very simple to understand and like other postal mail, email solves two basic problems of communication such as logistics and synchronization.

Text Messaging

Text messaging or SMS (Short Messaging Service) are the brief messages that people send from their mobile phones. It is the most widely used data application in the world, with 2.4 billion active users, or 74% of all mobile phone subscribers. SMS has become a massive commercial industry, worth over 81 billion dollars globally as of 2006. As people tends to read almost all of their messages, unlike junk mail, spam or adverts which can be ignored, hence, the organization can advertise their products or services through SMS easily.

Websites

A website can benefit a farm in many ways. It is a collection of 'pages' of information that can be viewed by anyone with internet access. One can use it for anything from promoting once company to making sales and exchanging information with customers and suppliers. Websites also helps the customers to know the present collection or new arrivals of the farm. Consumers can even buy their products from companies' websites and perform research for their future purchase through websites. It is emerging as an important tool for total marketing plan of a farm.

Internet-based Social Media

Like websites, social media also allows organizations to connect with wider customers. It is an Internet tool which is used for sharing and exchanging information in the form of text, photos, and videos such as, blogs (Internet journals), social networking programs like Twitter and Facebook. These are modern ways are used by anyone and everyone to post, share, and comment on various topics online. Using social media to promote products and services is completely a new concept. However, social media permits the user to connect on a personal level (e.g. blogs) (See Figure 1) Social media proves to be one of the best tools for building and strengthening relationships with both current customers and potential ones.

TABLE 1: ADVANTAGES AND DISADVANTAGES OF DIFFERENT INTERNET OPTIONS

Internet Options	Pros	Cons	Costs
E-Mail	Flexible, Easy to use, Immediate action, Less intrusive than telephone	Loss of context, Information overload, Attachment size limitation, Spamming and computer viruses	Low cost.
SMS	Powerful way to reach people, Act as a quick reminder, Less ignorance	Limited space, people may respond negatively, SMS Spoofing	Rate per SMS varies on mobile phone agencies.
Websites	Good web page attracts customer, carries more information, entire marketing and buying process can take place, creates publicity	Many competitors so design should be made carefully, high expectation of users	Depends upon the number of static and dynamic pages.
Social Media	exchanging information is easy, wider audience, educate the general public	connects on personal level, fraudulence, wrong information or idea can be generated by the competitors	No cost required

Table 1 shows the different options available through internet that can be used to enhance e-marketing. It also depicts the pros and cons related to the different options available and the cost required for investment.

Internet marketing is the method of attracting visitors to the organizations site so as to buy products or get services. This increases web site's position in search engine results, thus increasing site's popularity. The main advantage of the Internet Marketing is the one-on-one interaction between the manufacturer and the customer. It is much more economical than any other type of traditional marketing. The importance of Internet marketing is expanding. There are free services which are best way to make your products or services known to the millions of prospective consumers (See Table: 1).

INTERNET MARKETING STRATEGY: THE RELEVANT TOOL OF MODERN MARKETING

The word marketing has different meanings in context to modern marketing. It can be described as the range of specialist marketing functions carried out within many organizations, which includes market research, branding, public relation and customer service. At the same time, we can say marketing is an approach or concept which is used as a guide for all functions and activities of an organization. These concepts unites in modern marketing and stresses that marketing combines organizational functions and processes which determines the requirements of target market and delivers products and services to the customers accordingly. The concepts of marketing should lie at the heart of an organization and strategies should be made as per the need. It is very essential for organizations to be committed to the customer or market oriented in modern marketing and therefore should co-ordinate with the customers so as to ensure efficient, effective and profitable market. It is essential for online marketing to focus broader applications within total market rather giving importance only to communication and selling tools so as to establish as a strategic management tool. The signification of marketing through internet varies dramatically for different products and markets. For companies such as electronics equipment manufacturer, internet marketing has a very significant effect as they conduct most of their business promotions such as development of new products and customer services online using internet. Similarly, the travel and tourism companies gains great profit through the introduction of online marketing as they can sale their tickets online and aims in fulfilling most of their customers service request via Internet. However, the picture is different for manufacturers of high-involvement purchases such as cars or some consumer goods (FMCG) brands. Here, the sales mode mostly takes place through traditional retail channels.

E - MARKETING MIX

The Product on the Internet usually changes form online, and the user experiences it electronically, in the form of text, images and multimedia. Physical goods are usually presented in the form of a detailed online catalogue that the customer can browse through. Content and software are two avatars of digitized products that can be even distributed over the Internet. On the Internet, E-marketing will be based more on the product qualities rather than on the price. Every company will be able to bring down the cost of its products and hence competition will not be on price. It will rather be on the uniqueness of the product. The Price has been drastically changed over the Internet. It lets the buyer decides the price. Also it gives the buyers information about multiple sellers selling the same product. It leads to best possible deal for the buyers in terms of price. The Place revolves around setting up of a marketing channel to reach the customer. Internet serves as a direct marketing channel that allows the producer to reach the customer directly. The elimination of the intermediate channel allows the producer to pass the reduced distribution cost to the customer in the form of discounts. Promotion is essential to capture the customer to its website. Promoting a website includes both online and offline strategies. Online strategies include search engine, banner ads, multiple points of entry, virtual marketing, strategic partnership and affiliate marketing.

Traditional marketing mix is co-ordinate so efficient product, price, promotion and place strategies are developed for products purchased over the counter. The internet is changing the way to deliver products and services. Consumers now use the internet to research and purchase products/services through online. So organization now needs online strategies to attract and retain target customers. The e-marketing mix considers the elements of presenting the marketing mix online. The buyer knows immediately about product features, the facts, not sales persons assumptions. Electrical store offers clear information on products and their specification, consumers know what they get if not there is a customer service number where they can find out more. The buying process is also customized for returning visitors, making repeat purchases easier. Organizations can also offer immediately ancillary products along with the main purchase.

Traditional pricing was about finding about costs, discovering how much consumers want to pay. The internet has made pricing very competitive. Many costs i.e. store costs, staff cost have vanished for complete online stores, placing price pressures on traditional retailers. The internet gives consumers the power to shop around for the best deal at a click of a button. Such easy access to information helps to maintain prices within the online world.

E-pricing can also easily reward for customers. Technology allows repeat visitors to be tracked, easily allowing incentives to be targeted towards loyal customers. Payment is also easy online credit cards use allows for easy payments. One of the biggest changes to the marketing mix is online purchasing. The challenge for online retailers is to insure that the product is delivered to the consumer within a reasonable time. Location is important within our place strategy.

Online location can refer to where links are placed on other websites. Promoting products and service online is concerned with a number of issues. Having a recognizable first stage is e-promotion. Most organizations today have some form of webpage used in most if not all advertisements. Placing banner advertisements on other web pages is a common form of e-promotion. Banner ads must be placed where potential customers browse. Web public relations are another approach to promoting online. News worthy stories based on product or service launches can be placed on the company's webpage, or WPR articles sent to review sites for consumers to read. This form of online promotion will pull the consumer in. Direct email is a popular and common form of e-promotions, although slowly becoming the most hated many consumers. Organizations can send e-leaflets to hundreds and thousands of respondents, hoping a small percentage will reply. To summaries e-promotion includes: Banner promotion, Web public relations (WPR), E-leaflets and having a domain name. The e-marketing mix must work together and support each other if the company is to have a successful online marketing strategy.

INTERNET MARKETING TACTICS

Tactics: 1 Write Articles

Writing articles and reports on chosen subject will get free advertising, increase credibility in the eyes of prospects and customers, and provide a ready source of material for own opt-in newsletter. Free reports are also one of the best freebie offers.

Tactics: 2 Build Mailing List

One of the most important parts of internet marketing strategy is to build own opt-in list of customers and prospects. This list will become a source of revenue, and a vital strategic asset for business. It costs little or nothing to mail to own list, and sharing the knowledge through a newsletter will help and build a loyal following.

Tactics: 3 Updated Media Advertising

Looking for ways to make online advertising more compelling, and hopefully thereby more acceptable, marketers have increasingly been turning to streaming advertising.

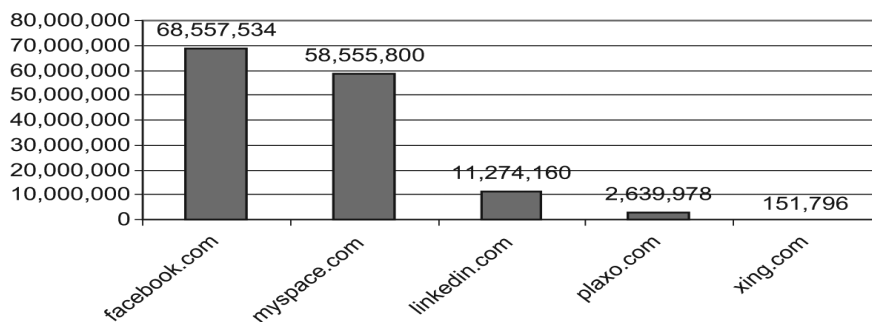
Tactics: 4 Controlled- Updated Web pages

For attraction of Web site to attracts new customers. Publish a Web page allows customers to receive free trial version service of a software application and virtual experience.

SOCIAL NETWORKING: EMERGING TOOL FOR ONLINE MARKETING

The introduction of information technology in the organizations has reduced the cost of communication among the people. The use of internet, the World Wide Web and the social networks makes it possible for many individuals to access enough information to take their own decisions rather than following the decisions made by their hierarchy. In recent time social network is enjoying great success as it allows working with freedom and helps us to incur both the benefits of human values, large organizations and economies of scale. It is flexible in nature, creative and motivates individuals to focus on new trends. The search for performance and intelligence has got no end. Wikipedia, Google, Amazon and eBay are the best examples of collective intelligence and they need Internet for its existence. The social network is just another part of a larger phenomenon that includes new technologies which helps individuals to communicate, collaborate and co-ordinate with the entire world more effectively. To make the best use of social network the companies must think about their achievements, their aims, strategies and processes that they require to adopt so as to get benefits from those objectives rather than thinking in technological terms.

TABLE 2: SOCIAL MEDIA MARKETING
Number of unique users



[Source: Razmerita, Kirchner and Sudzina (2009)]

Table 2: depicts the number of users registered in different social networking medias.

There are many social media platforms available with massive number of users and they all have a big growth. From the table we can see more than 68 million users are registered in Facebook, more than 58 million in MySpace, more than 11 million people in LinkedIn and many more. The result has been shown for the year 2009 and it is increasing massively (See Table: 2). Today, many companies are using social medial channels for their marketing campaigns, generally related to consumer goods within B2C (business to consumer) field of e-commerce. Companies are interested to give advertisements on web that will help them to have direct contact with their existing and future clients. The social networks also prove to be wonderful way to recruit new staff, even for high positions. LinkedIn is a good example of it. The companies need to use the web intelligently. They should start by releasing general fair information to identify targets and as soon as they see the customer are showing some signs of interest than the next step would be to turn that interest into a relationship.

EVIDENCE FROM CAPEGEMINI

CAPGEMINI

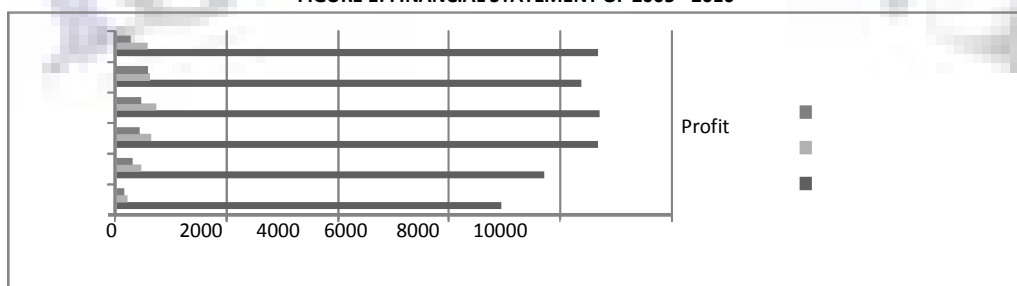
Capgemini, formed in 1967 is now one of the top 5 providers of IT consulting, technology and outsourcing services in the world. It enables its clients with concrete business results through technologies. Capgemini follows a unique way to do work that provides their clients with proper insights and opportunities so as to achieve better results. Right shore®, its global delivery model aims to maintain a proper balance of its best talents from all over the world by working as a team to deliver best solutions for its client. Over the past four decades Capgemini has witnessed a period of success and challenge more 90,000 people from 30 countries.

GROWTH REPORT: EVIDENCE FROM CAPEGEMINI

As per the annual report submitted by Capgemini, the year 2010 has shown a remarkable growth.

It emerged from recession period globally by achieving confidence of their clients and showed prior interest of investing in the field of IT. In 2010 Capgemini found growth in new order bookings and signed many new contracts, worth 9.86 billion Euros with a gain of 9% as compared to the previous year. The growth mainly took place in three Capgemini businesses, such as, Systems Integration, Consulting and Local Professional Services with an 11% growth in order booking as compared to fourth quarter of 2009. As per Paul Hermelin, Capgemini CEO, Capgemini is forecasting a gradual increase with growth pointing towards correct direction by introducing innovative technological issues. He moreover says that to transform and make companies more competitive in nature, it is very essential to spend on IT.

FIGURE 1: FINANCIAL STATEMENT OF 2005 - 2010



The above figure shows revenue, operating margin and the profit of the year 2005 – 2010 as shown in the financial report of Capgemini, 2009

There was an increase in revenue (See Figure: 2), operating margin and profit from the year 2005 to 2008 but in the year 2009 the Group faced fall in its overall financial statement due to recession. During that year the revenue fall from 8,710 million Euros to 8,371 million Euros, the profit reduced to 178 million Euros from 451 million Euros. The figure shows growth in the Group during 2010. This increase of the Group shows that it has started emerging from the recession period globally, which in turn increased the client confidence. In the year 2010 the Group signed new contracts worth 9,863 million Euros with an increase of 9% as compared to 2009 which counted contracts worth 8,973 million Euros.

TABLE 3: FINANCIAL STATEMENT FROM 2005 – 2010 (ACTUAL REPORT)

Year	Revenue (Million Euros)	% Change
2005	6,954	-
2006	7,700	10.7
2007	8,703	25.1
2008	8,710	25.2
2009*	8,371	20.3
2010	8,697	25.1

Source: Database from Capgemini Annual Report

Table 3: reveals the actual revenue of Capgemini starting from the year 2005 onwards. The table also reveals that the revenue is increasing every year except the year of 2009 due to recession.

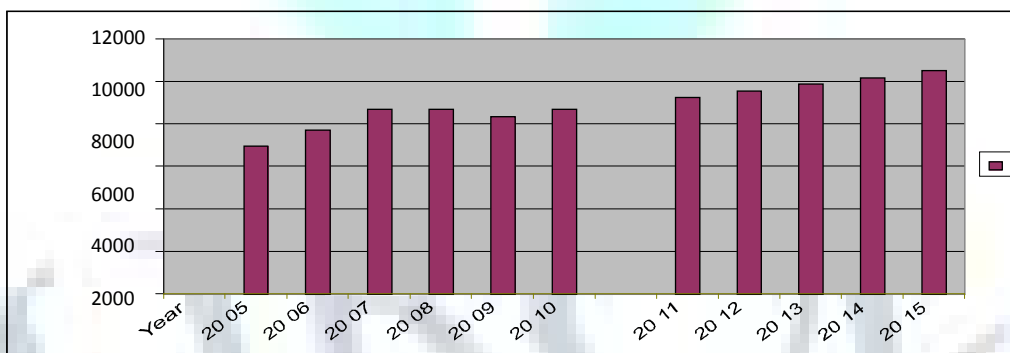
TABLE 4: FINANCIAL STATEMENT FROM 2011 - 2015 (FORECASTED REPORT)

Year	Revenue (Million Euros)	% Change
2010	8956	-
2011	9263	3.42
2012	9569	6.84
2013	9876	10.27
2014	10182	13.68
2015	10489	17.11

From the above forecasted table (See Table: 4) it is evident from the above trend percentage analysis statement there was a constant increasing trend of revenue and it is matching the actual

Revenue of Capgemini with a negligible difference, which we have already seen from the recent compiled statistics of the year 2010. Where the actual revenue is 8,697 Euros and projected revenue is 8956 Euros with a minimum error of 1.02%. The Group took the total advantage of markets from strategic sectors to incur growth. The sector which was given more attention was utilities (Anglian Water in UK), the manufacturing sectors, and the public sectors in United States and especially in BPO (Business Process Outsourcing) contracts.

FIGURE: 2 GRAPHICAL REPRESENTATION OF INCREASING TREND OF REVENUE



Rightshore® to deliver BPO contracts

Right shore®, launched seven years ago is responsible for global delivery of orders and contracts which aims to maintain a proper balance of its talents from all over the world by working as a team to deliver best solutions for its client in the sectors of Customer Service, Finance & accounting, Supply Chain Management, Procurement, Supply Chain Management, Human Resources, Management Assurance Services, insurance companies and vertical solutions for banking. Reports says that Capgemini’s Rightshore® delivery network with the help of 11,400 BPO professional provides service worldwide with more than 60 clients spread all over the world working 24 x 7 hours a week in 36 different languages from 20 centres across all countries. With the introduction of BPO Capgemini’s technological framework enhanced as it supported a robust transition methodology which helped in delivering consistent service in its delivery centers. Some of the clients of Capgemini include Coca-Cola, Dell, Kraft Foods, Nokia Siemens Networks, BlueScope Steel, Bombardier and many more.

TABLE 5: BPO SERVICE PROVIDED IN SOME OF THE PLACES WORLDWIDE BY CAPEGEMINI

Places	Cities	Team member	Client	Language	Services	Type
United States	Dallas	650	6	1	COM,F&A,SC,PAYG,RM	Hub
Canada	Toronto	540	3	1	COM,F&A,SC,PAYG,RM	Satellite
Chile	Santiago de Chile	570	2	3	F&A	Satellite
Brazil	São Paulo, Campinas, Gaspar	795	3	4	F&A, Taxes,SC	Hub
Sweden	Stockholm	240	50	1	P	Hub
China	Guangzhou, Nanhai	810	14	12	F&A, SC, COM,Payroll,	Hub
Philippines	Manila	310	3	1	F&A, FS	Satellite
India	Bangalore,Chennai, Kolkata, Mumbai, Gurgaon	4,585	40+	4	F&A, COM,FS,HR	Hub
Germany	Munich	40	1	1	SC	Satellite
Poland	Kraków, Katowice	2,200	20	29	F&A, P, COM, FS,HR	Hub
Australia	Adelaide	180	2	1	F&A, HR, P	Satellite

Table 5: shows the distribution of BPO service of Capgemini all over the world with information regarding its team members, number of clients, languages used, service provided in different sectors and the type of service.*COM: Customer Operation Management or Customer Service; F&A: Finance & Accounting; FS: Financial Services; HR: Human Resources; P: Procurement; PAYG: Pay-as-you-go; RM: Revenue Management; SC: Supply Chain

The above table reveals that to overcome the situation of recession and to bring new contracts, Capgemini has made massive use of its BPO service. The table shows detail information of some places, cities, team members, clients, languages, sectors and services where Capgemini has targeted to fetch new orders. It has used two different types of services such as, hub and satellite all over the world. Places like, United States, Brazil, Sweden, China, India and Poland are the hub as it has multi-client operational centre which delivers different types of services while the places such as, Canada, Chile, Philippines, Germany and Australia are the satellites that have operational sectors for limited number of services and customers (See Table 5).

FINDINGS

The findings of the above study are:

- ∅ The Internet proves to be one of the best ways for promoting enterprises and increasing exposure to customers.
- ∅ Internet marketing attracts visitor to the organizations site so as to buy products or get services. This increases web site's position & increasing site's popularity.
- ∅ The main advantage of the Internet Marketing is the one-on-one interaction between the manufacturer and the customer. It is much more economical than any other type of traditional marketing. The importance of Internet marketing is expanding.
- ∅ Direct email is a popular and common form of e-promotions. Organizations can send e- leaflets to hundreds and thousands of respondents, hoping a small percentage will reply. To summaries e-promotion includes: Banner promotion, Web public relations (WPR), E- leaflets and having a domain name. The e-marketing mix must work together and support each other if the company is to have a successful online marketing strategy.
- ∅ Social network is a larger phenomenon that includes new technologies which helps individuals to communicate, collaborate and co-ordinate more effectively. To make the best use of social network the companies must think about their achievements, their aims, strategies and processes that they require to adopt & get benefits.
- ∅ In the context of Capgemini evidence, introduction of BPO Cape Gemini's technological framework enhanced as it supported a robust transition methodology which helped in delivering consistent service in its delivery centers. Some of the clients of Cape Gemini include Coca-Cola, Dell, Kraft Foods, Nokia Siemens Networks, and Blue Scope Steel.

CONCLUSION

In the conclusion, we can say that, the significance of internet marketing has a vital role for development of enterprise. This study reveals that emerging issues of e-marketing has a great prospect for business promotions as well as development of new products and customer services through online using internet. Similarly, in service sector travel and tourism companies gains great profit through the introduction of online marketing as they can sale their tickets online and aims in fulfilling most of their customers service request via Internet. Therefore we can reasonably argue that internet marketing will pave the way for sustainable development of business. It is also expected to emerge as an important key factor for delivering consistent service.

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“SATYAMEV JAYATE” AAMIR KHAN’S TALK SHOW: AN AVANT-GARDE MARKETING CASE

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ABSTRACT

For Indian TV channels Bollywood stars hosting reality and game shows is not a new thing. Amitabh Bachchan set this trend by starting with *Kaun Banega Crorepati* over 10 years back. With minor differences over and over again, such as the format of the shows, the stars hosting them, or the prizes on offer the shows passed like a ship in waves. In terms of audience appreciation, and well as in terms of currency of the TV business, TRPs these shows have a very big contribution and achieved great success. Star TV has had its own contribution of winning shows over the years and probably has the formula that delivers success more often. This time Star TV decides to make a radical change from the norm with its newest show, *Satyamev Jayate* that debuted on 6 May. *Satyamev Jayate* is Reality-Talk Show, which doesn't have an 'entertainment' factor, no oomph factor, no pomp and show, no laughs, no winners, no prize money. So by conventional wisdom of TV and armchair experts, this show was supposed to be a flop show and nothing else, a big failure. In this case we are going to discuss various aspects of success or failure of this show. Whether the efforts and strategies used by Aamir Khan make this show a successful history in TV Channels or will this show be only viewed by the fan following of Aamir Khan and will be an unheard story. Through this show will he be able to create the said movement in public for which he started this show or will it be the same case as of Anna Hazare's agitation?

KEYWORDS

Viral Marketing, TV Rating, Social Issues, Talk Show, Online Media, Blue Ocean Strategy.

INTRODUCTION

Satyameva Jayate is a Sanskrit term. It splits as Satyam Eva Jayate, meaning TRUTH ALONE TRIUMPHS. "Satyameva Jayate" is the national saying of India. It is inscribed in Devanagari script at the base of the national emblem, which is an adaptation of the Lion Capital of Asoka at Sarnath, near Varanasi in the north Indian state of Uttar Pradesh. The origin of this motto is a well-known mantra 3.1.6 from the Mundaka Upanishad. Full mantra is as follows.

satyameva jayate nānṛtaṁ
 satyena panthā vitato devayānaḥ |
 yenā kramantṛṣayo hyāptakāmā
 yatra tat satyasya paramaṁ nidhānam ||

MEANING

Truth alone triumphs; not falsehood.

Through truth the divine path is spread out by which the sages whose desires have been completely fulfilled, reach where that supreme treasure of Truth resides.[1]

Following the meaning, a talk show on Indian entertainment television channels like Star Plus, and Doordarshan hosted by Aamir Khan, named "Satyameva Jayate".

"Satyameva Jayate is a window. Open it. Look out, and you might find you're looking in." [2]

Bollywood Actor Aamir Khan, who made his television debut with *Satyameva Jayate*, says this was his most ambitious project. The show, a compelling narrative of real stories across India, is being telecasted every Sunday at 11 am on Star Plus and Doordarshan, simultaneously in 8 languages across all key channels of Star Network.

This talk show has taken the challenge of awakening social consciousness among people. Aamir Khan is discussing social issues like female foeticide, child labour, corruption in health care sector and other issues affecting the country.

On one hand when Aamir has been showered with appreciation for his initiative, he has also been drawing criticism from many. A big slot of the society consider him the 'Messiah', while for his disbeliever he is someone who is only making money and most of his superstar-status.[3]

People can freely speak out their views and opinions to the people watching the show all over the world through this talk show. The victims (people who face all these issues) come to the show to share their horrifying experiences and indirectly create awareness among the people regarding those discussed issues.

Aamir Khan's *Satyamev Jayate* may be path-breaking in society for discussing social issues, but it has failed to get a suitable TV Rating (TVR). In fact the Opening TV Rating of *Satyamev Jayate* lags far behind most of the Big Starrer Show on TV. According to the TAM data released by the channel, the first episode of *Satyamev Jayate* managed to garner just 3.02 TVRs on Star Plus, making it the 12th most-watched show on a Hindi channel for the week ending May 12. For Instance Amitabh's *Kaun Banega Karorpati* (S2) had an opening TVR of 19.75, while *Satyamev Jayate* has an Opening TVR of 4 merely. The data covered the entire Indian market, including cable and terrestrial homes, where only DD is beamed. [4]

For the Opening TV Ranking of Various TV shows starring Top Bollywood Celebrities kindly refer – Table 1. [5]

Other related details to the TRP are as: [6]

1. In the six metros (including Chennai, Bangalore and Hyderabad), the average TVR of *Satyamev Jayate* stood at 2.9.
2. As per TAM data provided by the channels, the debut episode scored maximum in Delhi (5.9 TVR), followed by Mumbai (3.1 TVR) while Kolkata touched 1.8 TVR.
3. In Mumbai, the show (dubbed in Marathi) on Star Pravah garnered 2.2 TVR. On Star Jalsha, the leading Bengali Entertainment channel, the show just managed 0.52 TVR...
4. On ETV in Telugu (Hyderabad), the show got 0.88 TVR, while from the same metro city the show clocked 1.1 TVR on Star Plus.
5. In Tamil on Star Vijay (Chennai) it fetched 0.68 TVR. In Bangalore, where it was not dubbed in Kannada, Star Plus managed 1.3 TVR[6]

BACKGROUND NOTE

Kudos to Aamir!! for coming up with the idea of this show. The show will definitely help the people to be relieving from distress.

Aamir has taken up a different path to bring forth the problems prevailing in our society these days and also to create awareness among people. Therefore, this particular program is expected to be an eye opener. This program also includes conversations with experts from different domain like medicine, lawyer, media etc.

Aamir and his team had taken up many efforts by presenting the facts & figures so accurately about the issues being dealt in the show. The presentations of bar graphs, video conferencing, and interviews created a lasting impact & understanding among the people.

The show has been presented so well that all the people have become the fans of it by discussing the topics on social networking sites, online forums, and online discussions and so on. Similarly, once the show was over, there are around 1, 00, 000 people who had called on to speak and discuss with Aamir Khan regarding the social issues.

This show has really brought about some kind of confidence among the people and has also made them realize their duties & responsibilities as a citizen of a developed nation.

MARKETING INSIGHT

The various marketing approaches used by the promoters of "Satyamev Jayate".

TITLE

The name of the product matters a lot as it works as a brand name for the same. The name for the talk show has been chosen very strategically. The meaning of Satyamev Jayate is Truth alone triumphs. Truth alone triumphs; not falsehood. Through truth the divine path is spread out by which the sages, whose desires have been completely fulfilled, reach where that supreme treasure of Truth resides. The word Satyamev Jayate is placed in every Indian mind at a very divine place because Mahatma Gandhi had used this as his slogan to get the freedom for our country. This slogan was used to communicate the message that truth always wins and fighting for truth is never wasted, so one should always follow the path of truth. So "Satyamev Jayate" was the most effective and suitable title to percolate the same message.

THEME

The main ingredient of any recipe is its contents same will be the case for any TV show. That is why the concept of the show was kept secret before the launch of the program. However, during the press conference commenting on the concept of the show, Aamir said, "The show is about meeting the common man of India, connecting with India and its people." [7] He also added, "Through this show we understand the problem of the people, we are not here to make a change. I am no one to change anything. I don't think I am in the position to change anything else. I feel understanding a problem and feeling it or holding one's hand or hugging is also important. I may not have the solution, but at least I can hear and understand." [8]

This proves the theme of the show is its USP, which is totally different.

THEME SONG

Music is best way to communicate your feeling to others in effective manner. Many a times music works as a best positioning tool in the marketing of any product or idea. Keeping this in mind the promotional team of "Satyamev Jayate" tries to summarize each episode by a song. Apart from this the theme song for the talk show was also proposed. The theme song is as:

"Hai junoon hai junoon hai

Tere ishq ka ye junoon hai

Rag rag mein ishq tera daudta

Yeh bawraa sa khoon hai

Tune hi sikhaya sachchaiyon ka matlab

Tere paas aake jaana maine zindagi ka maqsad

Satyamev... satyamev... satyamev jayate

Sachcha hai pyaar tera, satyamev jayate....."

This promo song is composed by Ram Sampath, written by Prasoon Joshi and sung by Keerthi Sagathia. Initially the team planned to compose a national song or an anthem, however, composed a romantic love song reflecting the love for the country and relating it with each Indian. The song was shot by Ram Madhvani in different states of India and was released on April 13, 2012. [9]

Aamir Khan came up with the idea of launching a music album for the show. He along with Ram Sampath, the music director of Delhi Belly, created 16 songs for the 16 episodes that are supposed to be telecasted in the inaugural session of the show. [10] In addition, the songs from the album of the show will be released digitally every week on Hungama.com and also across all mobile operators as the series proceeds. The album will also be released in Malayalam, Tamil, Telugu and Kannada. [11] Sukhwinder Singh recorded a 22 minute long song for the show which is written by Prasoon Joshi. [10] On the song, Singh said, "Yes, I have sung a song which will be used in the title track and some will be incorporated in the show. It is a dream song; it is a song which will reflect humanity and nationality." [12]

All these efforts were put in to come up with a perfect show which will create a long lasting effect in Indian Television history. Not even the show but also the songs at the end of each episode are a hit on online media. The statistics show that songs are having a large number of hits and likes and have caught enough viral marketing.

BRAND AMBASSADOR / HOST

Brand ambassador is the one key person who is an official representative of a brand, a product or a company. The inimitable Aamir Khan as the 'sutrakar', the host of the show is the best brand ambassador for his show. The perfectionist image of Aamir Khan fully supports the show. Apart from this he is a brand ambassador of UNICEF to promote child nutrition also.

Aamir Khan has a reputation for being a very picky actor. Aamir has managed to maintain a low profile in the public while maintaining great integrity in his career; therefore, anything Aamir Khan is involved in gets plenty of buzz. After decades of work, Aamir now heads into the world of television as an anchor. He mentioned this as, "A journey of discovery, change, and emotions, human stories which touch and inspire us. My dream is to impact lives."

"Satyamev Jayate" the show and Aamir Khan complement each others in true senses.

PROMOTIONAL ACTIVITIES

Aamir Khan uses various media channels for promoting his show. He aired the promotional ad campaigns on TV, Radio, and on Online Medias. Also he used print media and outdoor advertising like Hoarding. Apart from all these he tries a new media which was totally untouched by the TV shows. He promoted his show in various cinema halls; the theme song of the show was aired in cinema halls just after the national anthem. He is successful in creating a lasting effect in the minds of spectators. Online media is also used very strategically; the teasers of the show were premiered on YouTube on 2 April 2012. The makers of show had booked around 2,000 slots for the broadcaster's promos in 27 hours for an amount of ₹ 6.25 crore (US\$1.25 million). Reportedly, this is the highest costing promotional campaign for any Indian television show. [13][14] In addition to all these, various interactive sessions were also organized with public about the show in selected multiplexes of Mumbai and New Delhi.

SPECIAL SCREENING IN VILLAGES

Star Plus organized a special screening of the first episode of the show in some villages in Gujarat, Maharashtra and Uttar Pradesh where the villagers do not have access to television. The initiative was taken to ensure that the show reaches all over the country as it caters to the issues of common man. The program was screened on May 6, 2012, during the same time when it was aired across the country, on community TV sets in villages like Bhingara and Kahupatta in Maharashtra, Chepa in Gujarat, Jhunkar in Madhya Pradesh, Tikeri, Lalpur, Saraut, Khannapurwa and Maniram in Uttar Pradesh. Most of these villages are reported to have a population of less than 5,000. [15] Gayatri Yadav from STAR India stated that, "This is an important and relevant show for all of India and Star India is going all out to make sure that this show reaches out to all Indians even in places with limited or no TV connectivity." Based on the response to its first episode, the screening of the subsequent episodes of the show is also being considered by STAR in the similar manner. [16]

CORPORATE SOCIAL RESPONSIBILITY IDEA

Corporate social responsibility (CSR) has recently become a jargonized word which maximum organizations are using to create their favorable image. Some of them are using this term to earn more and more profits out from the public pockets. But very less of them are doing it seriously. Lots of Bollywood actors, through various shows try to do some CSR activities. They are associated to various organizations that are active in various social fields. Supporting various social

causes through money is not the only responsibility. The major part of CSR activities is to create awareness about the causes, their effects and provide all kind of support to the victims, so that these social issues can be resolved from the grass roots.

Through "Satyameva Jayate" Aamir Khan is trying to do his bit of social responsibility. The whole show is dedicated to various social causes. Each episode is talking about a different social cause, its reason, its effects and even a real support to those victims to share these kinds of issues in public. The show is designed in such a way that it can provoke public, to sit up and take notice, to take action and perhaps to create a public movement that addresses the issues.

Even not to dilute the impact of the show they didn't buy any advertising slots or screen any of its advertisements. [17] The show is presented and sponsored by Airtel and co-sponsored by Aqua guard. Other associate sponsors include Coca-Cola, Johnson & Johnson, Skoda Auto, Axis Bank, Berger Paints and Dixcy Scott only.

At the end of each episode Aamir Khan calls support for actions to be taken in order to resolve that issue. Public can support the call through SMS which charges only Re 1, that amount will go to the relevant NGO who works for that particular social cause. Even if any one wants to do some extra support, they can do it through Axis bank as there is a direct tie up with this Bank. Through all this he is trying to induce public to do their part of social responsibility.

All these efforts will obviously create a different image of the show and Aamir Khan.

THE SURPRISE ELEMENT

The wow effect is a must for every product. This wow effect can be created by keeping the things secretly and surprise all the respondents. The concept of the show was not revealed to the public until the show officially went on air on May 6, 2012. Through advertisements and theme song it was clear that the show is based on "the common man" rather than being fictional or dramatic. While when it is telecasted, it was mostly referred as a talk show discussing social issues like child labour, health problems and other issues affecting the country. Aamir Khan, who is well-known for keeping secrecy for his movies, uses the same strategy for his first TV debut. Even similar to his movies he came up with totally different confederation in his talk show. His show is able to create a totally different impact.

TIME-SLOT OF THE SHOW

Things work well if they are done correctly on right time. Timing of every show matters a lot. Decision about the time is very critical in television media. Aamir Khan strategically decided to telecast his show on Sunday mornings since the slot is commonly considered as "family TV viewing" in Indian Television, while his producers wanted to get the prime time slot (9 pm).

The decision regarding the timing of the show was backed by the fact that the popular TV shows Mahabharata and Ramayana were aired on Sunday mornings in this time slot only and was highly successful. Even this time slot was actually lacking in any such kind of programs. He actually used blue ocean strategy to surpass any competition and even have the timeslot where maximum viewership will happen.

VIRAL MARKETING

Marketing done through online media, where references works a lot, is an emerging media which is required to be captured well. When the show was first aired, the full episode was uploaded to YouTube, the link was shared by many on Twitter and Facebook news feeds. A 720p HD version of the show was available to be streamed in the US. This is the first true sign of Indian television realizing how the Internet can be viral, accessible and amplifies in reach.

Satyamev Jayate was the most searched keyword on Google in India on May 6th - the show trended 1-9 on the top Twitter Trends and the sentiment were highly positive getting rave reviews across audiences.

The Facebook page launched about a month back already has 816,000 fans with about half the fans talking about it. This is unheard for any show to build this momentum within weeks of launch. According to their official website, "the Show has 816,000 likes on Facebook and 27.5K followers on Twitter, which is a record itself.

Apart from all these the social networking websites are getting flooded with these issues, numbers of forum are getting created which are discussing these issues on upfront. A kind of movement is felt actually after its first episode. People are coming in front and discussing the issues in much better way. This could be a classic case in TV shows for viral marketing.

COROLLARY

The summarizing impact of the show had in the last few episodes:

- Rajasthan Chief Minister Ashok Gehlot met Aamir Khan and discussed the issue of Female Foeticide. The government has already given the green signal to set up a fast track court, to quicken the trial in the female foeticide cases.
- Satyamev Jayate also had a massive impact on the Congress party in Pune. The Pune Municipal Corporation party leader, Arvind Shinde, has written to Municipal commissioner Mahesh Pathak, asking for an explanation on why the 'Pre-conception and Pre Natal Diagnostic Techniques (PCPNDT)' cell was dissolved.
- In Allahabad, a case was lodged against a local doctor Harish Chaudhary, for carrying out female foeticide.
- More than 64 nursing homes have been suspended in Bhopal
- More than 1,00,000 people called Aamir Khan to discuss the issue, out of which around 10 were selected. The revenue generated from all the calls, will be donated to charity by Airtel.
- Sources say, more than 65,00,000 SMSes were received (charged at Re 1 each). All of which, again, goes to charity.
- Shiv Sena supremo Bal Thackeray has praised Aamir Khan for Satyamev Jayate.

MANTRA FOR BIG SUCCESS

"Satyamev Jayate" the talk show is one of the successful experiments done by Aamir Khan in Television Media. Although the starting of the show was little bit bumpy (in case of TRP) but it has achieved the desired success in term of its main motive. The theme of the show was carried differently. The product or idea may be similar or competitive; they can be successful through unconventional marketing. Marketing strategies for "Satyamev Jayate" are truly avant-garde.

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ANNEXURE

TABLE 1

Host	show	channel	Year	Timing	Opening TVR
Akshay Kumar	Master Chef India (season one)	Star Plus	October 16, 2010	Saturdays and Sundays	2.59
	Fear Factor Khatron Ke Khiladi (season two)	Colors	September 7, 2009	Monday to Thursday	4.37
	Fear Factor Khatron Ke Khiladi (season four)	Colors	June 3, 2011	Fridays and Saturdays	2.95
Amitabh Bachchan	Kaun Banega Crorepati (season one)	Star Plus	July 3	Monday to Thursday	8.96
	Kaun Banega Crorepati (season two)	Star Plus	May 8	Monday to Thursday	19.75
	Kaun Banega Crorepati (season four)	Sony TV	November 10	Monday to Thursday	6.21
	Kaun Banega Crorepati -(season five)	Sony TV	August 15	Monday to Thursday	5.24
	Bigg Boss (season three)	Colors	October 4	Monday to Sunday	4.57
Hrithik Roshan	Just Dance	Star Plus	June 18, 2011	Saturdays and Sundays, 9 pm	3.68
Salman Khan	Dus Ka Dum (season one)	Sony TV	June 6	Fridays and Saturdays	3.35
	Dus Ka Dum (season two)	Sony TV	May 30	Fridays and Saturdays	2.22
	Bigg Boss (season four)	Colors	October 3	Monday to Saturday	4.83
Shah Rukh Khan	Kaun Banega Crorepati (season three)	Star Plus	January 22	Monday to Thursday	12.33
	Kya Aap Paanchvi Pass Se Tez Hain?	Star Plus	April 25	Friday to Sunday	3.37
	Zor Ka Jhatka Total Wipe Out	Imagine TV	February 1	Monday to Friday	2.61

EFFECTIVENESS OF KISAN CREDIT CARD SCHEME IN KARNATAK STATE

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ABSTRACT

Agriculture has been the mainstay of our economy. More than 60% of our people depend upon agriculture for their livelihood. Agriculture is a way of life, a tradition; agriculture will continue to be central to all the strategies for socio-economic development of the country. Rapid growth of agriculture will not only ensure continued food security but also aid in growth in industry and the GDP. To sustain the growth in agriculture credit plays a crucial role. The quantum of agriculture credit provided by the banking system increased from year to year. While this is quite impressive considering the overall bank credit for priority sector, credit for farm sector is not without its share of problems viz. problems in accessing credit for the agriculturist and problems in dispensing credit by the bank. In order to address the problems in purveying credit for agriculture, the RBI had set up a one man High level committee of Sri. R V Gupta in 1997 to suggest measures for improving the delivery systems as well as simplification of procedures for agricultural credit. The committee had submitted its report in April 1998. KCC is one of the most innovative, widely accepted, highly appreciated and non-discriminatory banking products. It is beneficial to farmers. Though relative share of the institutions in the issue of agricultural crop loans remain the same the progress under KCC is highly satisfactory. Constant monitoring and thrust given by NABARD has substantially enabled the progress

KEYWORDS

Agricultural Credit, DCCB, Kisan credit card, NABARD, PACS.

INTRODUCTION

Agriculture has been the mainstay of our economy. More than 60% of our people depend upon agriculture for their livelihood. Agriculture is a way of life, a tradition; agriculture will continue to be central to all the strategies for socio-economic development of the country. Rapid growth of agriculture will not only ensure continued food security but also aid in growth in industry and the GDP. To sustain the growth in agriculture credit plays a crucial role. The quantum of agriculture credit provided by the banking system increased from year to year. While this is quite impressive considering the overall bank credit for priority sector, credit for farm sector is not without its share of problems viz. problems in accessing credit for the agriculturist and problems in dispensing credit by the bank. In order to address the problems in purveying credit for agriculture, the RBI had set up a one man High level committee of Sri. R V Gupta in 1997 to suggest measures for improving the delivery systems as well as simplification of procedures for agricultural credit. The committee had submitted its report in April 1998.

The Kisan Credit Card Scheme was launched in 1998-99 to provide timely and adequate credit support to the farmers for their production needs in a flexible and cost effective manner. Implemented by commercial banks, co-operative banks, and RRB's throughout the country. This innovative scheme has gained immense popularity among the farmers; however, still many farmers use the card as a production loan and are unaware of the flexibility provided in the utilization of limits. Efforts should be made to popularize this scheme and the procedure of farm credit under the Kisan Credit Card Scheme needs to be simplified.

BENIFITS**TO FARMERS**

- Flexibility to draw cash and buy inputs
- Access to adequate & timely credit to farmers
- Full years credit requirement of the borrower taken care of
- Minimum paper work & simplification of documentation for withdrawal of funds from banks
- Assured availability of credit any time enabling reduced interest burden for the farmers
- Sanction of the facility for 3 years subject to annual review and satisfactory operations and provision for enhancement

TO THE BANKS

- Reduction in work load for branch staff by avoidance of repeat appraisal and processing of loan papers
- Minimum paper work and simplification of documentation for withdrawal of funds from the bank
- Improvement in recycling of funds and better recovery of loans
- Reduction in transaction cost to the banks
- Better banker-customer relationship possible

The KCC scheme is an innovative mechanism for facility access to short term credit facility to farmers. It has gained popularity by commercial banks, co-operative banks and RRB's across the country.

STATEMENT OF THE PROBLEM

The introduction of a new credit product called Kisan Credit Card (KCC) in 1998-99 with three different sub-limits Viz. production, assets maintenance and consumption needs is a step in this direction. This brings integration into the multi-credit product system by offering farm entrepreneurs a single line of credit through a single window for multiple purposes. These include acquisition of consumption needs. The Kisan Credit Card Scheme was a step from the formal financial institutions. The scheme was conceived as adequate and timely supply of short-term credit delivery mechanism, which aimed at provision of adequate and timely supply of short-term credit to the farmers to meet their crop production requirements. The KCC instrument would allow farmers to purchase agriculture inputs such as seeds, fertilizers, pesticides and also allow them withdraw some cash for meeting their other crop production related requirements. Under the old system short-term credit was disbursed either through a demand loan or through a system of loans known as crop cash credit mechanism. In the demand-based system, loans were granted on crop specific basis against execution of fresh documents each season. The sub limit was fully used up only credits were permitted, but withdrawals were not allowed. Withdrawals under these limits were permitted either in cash through debit slips or withdrawals were usually bunched at the beginning of crop season and repayments at the end of the season when farmers were able to generate cash after harvesting and marketing their produce.

Since then, the scheme of KCC is under implementation by state cooperative banks, through DCCB's and PACS as also the Regional Rural banks and Commercial Banks under the aegis of NABARD by various banks. Co-operative banks have the largest share (62%), followed by commercial banks (30%) and RRB's (8%). The performance in the implementation of the KCC scheme has been impressive in the states of Andhra Pradesh, Gujarat, Haryana, Karnataka, Maharashtra, Punjab, Rajasthan, Tamil Nadu, Uttar Pradesh and Uttaranchal. A personal accident insurance scheme has also been introduced from the year 2001-02 for all KCC holders against accidental death/permanent disability. The scheme has become popular both amongst farmers and bankers.

The present study was carried out in Karwar Taluka to assess the impact of Kisan Credit Card Scheme on Agriculture income. Hence the research problem is stated as below "Impact of Kisan Credit Card Scheme on Agriculture Income-Assessment"

OBJECTIVES OF THE STUDY

The major objective of the study is to address the problems/ constraints and suggest remedial measures for effective implementation and quick coverage of KCC's. The specific objectives are

- To Analyze & study disbursement of loans & volume of turnover under the scheme
- To assess the impact of KCC and Cost of credit
- To examine the constraints in implementation of the scheme
- To suggest measures towards modification of the scheme

METHODOLOGY

It is purely Field Survey. The study was purely depending on both primary as well as secondary data.

Secondary data was collected from RBI, NABARD and DCC Karwar sources viz, books, journals, daily newspapers, agriculture department & Banking committee reports, websites etc. In addition to secondary data, information from primary sources has been collected from officers of DCC with the help of interview, also from 50 KCC holders.

DATA COLLECTION AND TABULATION

The data have been collected as per the well-prepared questionnaires; the researcher has been prepared two types of questionnaire, one for farmers and another for DCC bank officers. The collected data was properly processed and tabulated in well structured statistical tables.

DATA ANALYSIS AND INTERPRETATION

The data was analyzed with usual simple statistical tools like percentages, averages, ratio etc. The analysis of the data was done with a view to draw appropriate inferences and conclusions. The whole paper is subdivided into Part: A, Part: B and Part: C for study purposes.

PART-A: EFFECTIVENESS OF KCC SCHEME

The Part: A addresses the efficacy of KCC as an efficient, timely and hassle free credit delivery mechanism to agriculture. As a part of the study, a total of 50 KCC holders were interviewed to ascertain their viewpoints. These field visits had brought out several important findings, which could have a bearing on the future policy in this regard. These findings also help in speeding up the progress of implementation by highlighting the operational difficulties. The chapter devotes to deliberate on the feedback collected through a semi-structured questionnaire from 50 sample KCC holders.

TABLE 1: AWARENESS ON KCC

Awareness	No. of Farmers	Percentage (%)
Yes	32	64
No	18	36
Total	50	100

Source: Field survey

About 36% of the sample KCC holders were not aware of the modalities, usefulness/ benefits of KCC scheme. Farmers have been issued KCC and sanctioned limits under KCC, but they were not aware of its positive aspects like, revolving cash credit facility involving a number of drawals and repayments, credit limits for full year including ancillary activities related to crop production and other NFS activities, sub limit for consumption purpose etc.

TABLE 2: LAND HOLDING SIZE-WISE (in Ha)

Land holding	No. of Farmers	Percentage (%)
< 1.00	15	30
1.01-2.50	12	24
2.51-5.00	08	16
5.01-10.00	10	20
>10.01	05	10
Total	50	100

Source: Field survey

Above table indicates that land holding size-wise, 30% of marginal farmers and 24% of small farmers were not aware of the utilities of KCC. All these emphasized that there was hardly any effort from the bank branch to create awareness at the ground level so as to reap the benefits of KCC to its maximum extent. Particularly small/small farmers who are mostly not versed with banking practices need to be educated on the usages of KCC.

COVERAGE OF NEW FARMERS

Categorizing sample KCC holders in terms of extent of period of holding of KCC revealed that majority of KCC holders (31%) were availing the facilities of KCC since last Eight years. Similarly about 17%, 13%, 11%, 8% were using KCC since last five, four, three, two years respectively, which implied that every year certain % of new farmers were being brought to the KCC fold. Effective publicity and continuous monitoring at DLCC/BLCC level as also at the level of controlling/ Regional offices.

ADEQUACY OF CREDIT

The KCC scheme envisaged that all the ST credit needs of the farmers including crop loan and other production credit/ working capital / short-term requirements for non-farm activities need to be covered under KCC. As per guidelines, the KCC holder need to be ensured that he gets adequate credit to meet all of his short term needs through the singly window of KCC. However, the study revealed that, as many as 46% of the total covered during field visit, felt that the credit limits sanctioned to them under KCC were not adequate.

OPERATIONAL FLEXIBILITY

One of the objectives of KCC was to provide flexibility in operation of the credit limit sanctioned to the farmer. Flexibility could be in terms of issuing cheque books, ATM cards especially for KCC limit, permitting KCC holders to draw cash from branches other than the card issuing branch. With allowing such facilities, the farmer could purchase inputs from the talukas, block or district head quarters and take the advantage of competitive prices of inputs. However, no bank branches/ cooperatives had extended this facility.

Further, it was expected that KCC would provide adequate credit to meet all of the needs as also provide flexibility to draw and repay as and when needed depending upon his cash flow. Frequent transactions would effectively reduce the outstanding loans thereby lowering the interest paid. The data collected and the interaction held with the bankers/ KCC holders during the study indicated that the sanctioning of limit, more numbers of withdrawals/ deposits as and most of the KCC holders are deprived of the benefit of interest rate for them. Majority of farmers (70%) had not gone for frequent operations on the limit sanctioned

to them under the card and withdrew the sanctioned KCC limit at one go. Further, 12% and 18% KCC holders had operated the KCC limit twice and more than twice, respectively.

This has been mostly attributed to lack of awareness at the farmer's level. Farmers opined that they got this loan sanctioned with much complicated documentations and do not want to come again to the bank to face the same procedure to withdraw the loan. Secondly, some of the farmers who had surplus amount but did not deposit it in KCC account were under the impression that they would not get any interest on credit balance.

Thirdly, it was observed that bankers also knowingly did not create the awareness among the farmers as credit balance in the account means frequent withdrawal by the farmer resulting in additional transaction cost to the bankers in terms of devoting time and money. Further, bank would lose interest income in the credit balance in the KCC account.

CREDIT USAGE

The study revealed that the average loan disbursed was utilized both for consumption and for buying inputs for application in agriculture. As per KCC guidelines, banks had followed a flexible / liberal approach regarding the monitoring the end uses like not insisting on documentary proofs of purchase of inputs etc. The observations from the field indicated that all the farmers had used the major portion of their average loan disbursed for financing their expenses on raising the crops. About 20% of the credit limit sanctioned under KCC was being used for non-production purposes. Land holding-wise, small and marginal farmers used (26-30%) larger portion of average loan disbursed for non-production purposes as against medium/ large farmers (16-24%). This finding calls for an immediate policy action, KCC need to enhance their KCC limit at least 25% so that to accommodate partially the consumption expenditure by the KCC holders.

DOCUMENTATION PROCESSES

The farmers expressed some relief in terms of sanctioning credit limit once in 3 years and drawing the limit once in a year. But, they had some concern relating to sanctioning of credit limit particularly by the cooperatives. The documentation required has to be simplified in such a manner that they should make limited number of visits to the revenue officials, secretary of PACS. The secretary of PACS after receiving an application along with the certificate from VRO containing the survey number etc. in respect of the land of the farmers awaits for other farmers to prepare a normal credit limit application to be submitted to the DCCB.

The Secretary prepares the NCLA for all the eligible farmers in the village and then submits to the DCCB. The DCCB sanctions the same in the light of the resource available with them and the eligibility of the PACS. The process takes about a month. However, to meet his requirement the farmers avails loan from moneylender or other private source with high rate of interest. If the loan exceeds Rs. 50000 or the farmer is sanctioned a special loan then the PACS insists on the title deed, EC and mortgage to be registered at the sub registrar office resulting in loss of man days and consequent high transaction cost for the borrower.

FARMERS PERCEPTIONS

Hassle Free Card

Sample KCC holders were asked about their perceptions on KCC as a hassle free card. 32 respondents constituting 64% of the total sample respondents responded that KCC was truly a hassle free card. During the interaction with the farmers it was gathered that KCC holders got some relief in terms of sanctioning credit limit once in three years and drawing the limit once in a year. However, if observed closely, the view was quite paradoxical, if compared to their response regarding awareness on KCC as also on adequacy of KCC limit. Respondents viewed that as compared to the pre KCC situation, two reasons were responsible for making KCC a hassle free credit delivery system. The had experienced flexibility and simplicity in availing credit, utilizing the same in their own way they liked and repaying the KCC limit sanctioned under KCC.

Purchase of inputs

The perceptions of KCC holders on the utility of the KCC credit limit in inputs purchase was ascertained from the respondents. Majority of respondents (71%) were of the opinion that the KCC was extremely useful in regards to reduced cost of accessing credit as compared to the earlier system of crop delivery system.

- They had the freedom to utilize the limit sanctioned under KCC as banks did not insist to lift a portion of limit on kind.
- They buy the inputs like fertilizers and chemicals as and when they wish.
- Farmers had the more bargaining power as they were paying the prices in cash. They also had a wider choice in selecting shops/ dealers.
- They were not required to obtain bills / receipts as documentary proof against buying inputs which were necessary in the earlier system.

TENURE OF KCC

Presently, the KCC is valid for three years. The credit limit sanctioned in the current year, was renewed next year with a 10% increase in the limit sanctioned. There was no requirement of approaching the bank with fresh application along with documentation. Farmers were asked about their opinion on increasing the validity of KCC to five years. Increasing the tenure into 5 years would save the man-days and cost as well. About 75% of the total responded positively to the proposal of increasing the validity of KCC to five years. Rests 25% were apprehensive of the proposal of raising the validity to five years. They were hesitant as they were doubtful on the role of a long tenure KCC on annual renewals, costs involved, and role of new KCC in increased cost of cultivation/ scales of finance, changes in cropping pattern, etc.

OVERALL EFFICACY/ BENEFITS OF KCC

Farmers viewed that KCC was beneficial to them in more than one way. The KCC holders got benefits like

- Meeting credit requirements for crop cultivation for the whole year
- Availability of credit whenever the credit is needed
- Flexibility in drawing cash/ buying inputs from any supplier of choice
- Reduction in quantum of interest due to drawal flexibility / repayment
- Reduction in cost of credit for availing the bank loan
- Insurance cover at a very low premium rate

The field study revealed that the KCC scheme was meeting the credit requirement of the KCC holder to a great extent but not adequately. However, by fixing the limit for three years the banks were assuring the farmers credit with no extra hassles of documentation other worries. It was giving the farmer the flexibility to draw / deposit as and when necessary. However, in practice the same had not happened in many banks. The KCC holder was not allowed to draw from any other branch and was not encouraged to draw / deposit number of times in the same branch as the same would jack up the workload for the branch and involved loss of interest to the bank. However, notwithstanding these negative aspects, out of the 50 farmers interviewed, 34 accounting 68% of total sample felt that the KCC was very much farmer friendly. Most important efficiency parameters as viewed by KCC holders in order were as mentioned in the table.

TABLE 3: BENEFITS OF KCC

No.	Beneficial Parameters	No. of farmers	Percent	Rank
1	Saving in annual renewal cost	44	88	1
2	Timely availability of credit	41	82	2
3	Hassle free Card	38	76	3
4	Reduced cost of accessing credit	36	72	4
5	Operational flexibility	31	62	5
6	Savings in interest charged on KCC	24	48	7
7	Adequate Credit	26	52	6
8	Hassle free repayments procedure	14	28	8

Source: Field survey

PART: B IMPACT OF KCC SCHEME

The Part: B assesses the impact of KCC on the farmers and yield of crops. Accordingly, the cost of credit to the KCC holders has been computed.

PRODUCTIVITY OF CROPS

Sample KCC holders across the Karwar Taulka of Uttara Kannada District had cultivated one major crop (paddy) by availing crop credit from different agencies. Average productivity per hectare of this crop taken up by KCC holders was compared with the average yield level of 'control' farmers. Control farmers were non KCC holders and tenant farmers who had availed loan from informal sources but not under KCC scheme. The overall productivity of paddy grown by KCC holders was higher by 13.3 % as against the yield level by control farmers. The whole of the yield increase was partly attributed to the credit access through KCC. The adequate application of comparatively higher doses of inputs like fertilizer, manure, pesticide, labour, irrigation waters etc. by KCC farmers are contributing factors for improvement of yield level.

COST OF CULTIVATION AND GROSS VALUE OF PRODUCTION

The cost of cultivation and gross value of output for sample KCC holders per hectare are also presented in table. It may be observed from the table that gross value of output per hectare was higher for paddy (13.3%) cultivated by KCC holders as compared to the control farmers. For paddy it was Rs. 17500-Rs 31500 for KCC farmers, as against Rs 13500-Rs 25500 for control farmers. The corresponding cost of cultivation for paddy Rs 11100-Rs 14500 (KCC farmers) and Rs 10500-Rs 13000 (control farmers), respectively. The cost of cultivation per acre was higher by 7.6% for paddy. The cost of cultivation was higher for KCC farmers on account of comparatively higher doses of application of various inputs resulting in higher yield by KCC farmers as compared to the control farmers under paddy crop.

TABLE 4: COST OF CULTIVATION AND GROSS VALUE OF PRODUCTION

Crop	KCC holders	Control Group	Difference	Percent
Paddy (yield of crops(Qntl./ha)	18-34	14-26	4-8	13.3
Paddy (cost of cultivation of crops (Rs/Ha)	11100-14500	10500-13000	600-500	7.6
Paddy (Value of output of crops (Rs/ha)	17500-31500	13500-25500	4000-6000	13.6

Source: Field survey

REAL COST OF CREDIT

The real cost of credit were estimated based on the primary data collected during the study. This cost includes charges on various documents required for sanction of loan, payment of fees for issue of card, seeking legal opinion and opportunity cost of the borrower.

DOCUMENTS AND CHARGES

The documents collected for sanction of loan by most of the banks were:

- Copy of land Patta indicating the ownership of the land and the liabilities, land map, land records, cropping pattern, etc, issued by Revenue department (Rs.200)
- Non-Encumbrance certificate for loan > Rs 50000 (Rs 200)
- Although 'No Dues Certificate' has been dispensed with, many banks/ PACS asked for it from nearby Bank branches (varied from Rs 10 to Rs 100 per branch) normally Rs. 50-Rs.100 per loan.
- For loan amount above Rs 50000, which involves mortgage of land, a declaration in a form signed by the borrower and with two witnesses in stamp paper (Rs. 100)
- Mortgage of land for loan above Rs. 25000 for immovable and Rs 15000 for movables (0.5%).
- For 10 ha. and above and loan amount of > Rs. 500000 registered mortgage(stamp duty @ 3% of loan amount)
- Affidavit declaring about the ownership of land and utilization of loan amount.
- Valuation certificate (actually Rs 200), but farmers are paying a minimum of Rs 1000),
- Other costs involved included processing charges, inspection charges (mostly by commercial banks), share capital (10% of loan in case of PACS), crop insurance (varying depending on crops), Personal Accidental Insurance, etc. various expenditure on documentation / service charges for availing credit limit under KCC from PACS,

TABLE 5: DOCUMENTS AND CHARGES UNDER KCC SCHEME

S No	Particulars	Coop/PACS
1.	Cost of the card	10
2.	Service charges	-
3.	VRO certificate	100
4.	Encumbrance certificate	200
5.	Legal opinion	500
6.	Valuation reports	1000
7.	Hypothecation (stamp duty) (%)	0.5
8.	Mortgage (%)	0.5
9	Registered mortgage(%)	3.0

Source: Field survey

RATE OF INTEREST

Rate of interest charged for loans varied from 7.0% to 12.5 in case of both commercial banks and RRBs depending upon the loan amounts/ slabs. Commercial banks charged 7.0 % for loan up to Rs 3 lakh and for > 3.00 to 5.00 it was BPLR+0.50 % and for >5.00, it was BPLR+ 1.00%. However, it varies from bank to bank. PACS charged interest rate @ (7.0+) % as mentioned in the register. However, if loan is repaid in time and is not overdue they charged @ 7.0%.

COST OF THE TIME SPENT

An attempt was made to calculate the opportunity cost for the time spent by the borrowers in the formalities associated with sanctioning of loan for quantification, time spent by the borrowers was valued at par with the wage rate for agricultural labors in the study area. Time taken in sanctioning of loan after submitting loan application ranged between 20-25 days in PACS averaged to 22.5 days for the total.

TABLE 6: COST OF THE TIME SPENT BY THE BORROWERS

1. Delay in sanctioning loan (days)	22.5
2. No. of visit to bank for sanction	3
3. Time taken per visit (hrs)	0.7
4. Time spent in the process (hrs)	2.5
5. cost of time spent* (Rs)	31
6. Cost of traveling/ visit (Rs)	11
7. Total cost for travel (Rs)	42
8. Total cost (Rs)	84

Source: Field survey

*valued @ Rs. 100 per standard man day (8hrs)

Simple formalities involved in sanction and renewal of KCC contributed to most delay in PACS. The results indicated that borrowers in PACS spent most time but minimum money for completing sanctions formalities-Rs 84.

TABLE 6: EFFECTIVE RATE OF INTEREST FOR AVAILING LOANS

Rs.25000	8.25(7.0)
Rs, 25001-50000	8.75(7.0)
> Rs. 50000	9.50(7.0)

Source: Field survey

*Figures in parenthesis refer to nominal interest rates

As regard charging of interest rate the procedure being followed by the cooperatives leaves lot of scope for improvement. In case of first time member / borrower, a 10% share capital was being deducted which means the PACS were charging the rate of interest of 75 upfront. Further, the interest subvention benefit was being extended to farmers only if the loan is not due for repayment. If it is overdue, interest was charged at (7 plus) % from the date of disbursement. If the repayment is not received on the due date, a penal interest of 0.75% was being charged.

PART: C FINDINGS AND CONCLUSIONS FOR POLICY MAKING

- KCC is one of the most innovative, widely accepted, highly appreciated and non-discriminatory banking products. It is beneficial to farmers. Though relative share of the institutions in the issue of agricultural crop loans remain the same the progress under KCC is highly satisfactory. Constant monitoring and thrust given by NABARD has substantially enabled the progress.
- As of now there appears no correlation between issue of KCC and increase in crop loan volumes. The study finding could not establish any relationship. It is however seen that nearly 72% of the crop loan is issued in the form of KCC. Banks have however reported that defaulters have come forward to clear the debt to get KCC. Financing of new borrowers has been reported.
- Though there is evidence of the KCC being more flexible and used as a cash credit facility, it appears that will be some time before the KCC is used fully as a credit card. One of the factors that inhibited velocity of transactions in the account is the repayment stipulations that (i) sub-limits should be repaid before the next drawal, (ii) each drawal should be repaid within a year from the date of drawal, (iii) the account should be in credit at least once a year, and (iv) specific due dates irrespective of the crop marketing are causing procedural difficulties and need to be reconsidered.
- It has also been reported that the farmers are apprehensive to repay lest they may not be allowed to draw for the next crop. That the scheme allows frequent drawals and that the sanction will not cease on the repayment of annual limit/ sub limit needs to be popularized. Presently, the KCC holder is apprehensive that if he repays he will not be able to draw further credit as and when he wants. In view of this the improvement in velocity of credit and recycling is not evident in KCC accounts.
- It is also seen that the term 'any branch withdrawal' is subject to payment of fee and is not conducive for frequent operation in the account. At the same time it needs to be popularized that the credit balance in the accounts will earn savings bank rate of interest.
- Cost reduction is not fully evident. That the KCC mode is cost effective needs to be firmly established. Savings in expenditure in the form of stamp duty and saving in expenses incurred in connection with the number of visits to the bank at pre-sanction stage are evident. As against this the levy of service and other charges.
- Since the KCC covers all the crops and the entire year's requirement, it is issued for a higher amount than the previous crop loan, stamp duty on account of registered mortgage increases the cost substantially. It has been observed that the stamp duty could hinder larger size loans under KCC. Though the number of farmers who would be eligible for larger limits could be small, it is a fact that stamp duty is a deterrent for larger limits.
- The crop insurance scheme continues to pose problems on account of limitations in the crop cutting experiments and non coverage of certain crops. KCC gives the farmer the flexibility to draw the amount of loan any time whereas only those loans which are drawn strictly within the season gets covered under crop insurance. Similarly if a farmer were to use his money initially and draw the bank loan later he could be deprived of the insurance due to seasonality stipulations. This could pose many problems in the coverage of insurance scheme.
- Banks have reported that they find it difficult to maintain data on crop wise loan issue and outstanding. Similarly the banks find it difficult to collect the details of non borrowers. The field visit has shown that the actual crop grown and crop which is reckoned for the limit could be at variance. Here again the insurance coverage could pose difficulties.
- Some of the banks were operating, prior to the launch of KCC equally good cash credit schemes.
- The interest rate at which the individual gets the loan is decided by the policies of the agency that gives the loan. Herein it is seen that the cooperatives continue to charge a higher rate of interest.
- The per card limit is the highest with the commercial banks followed RRBs and Co-operatives.
- The commercial banks and RRBs were found to have fixed realistic crop limits whereas the co-operatives adhered to scale of finance fixed by DLTC strictly. As the DLTC does not meet regularly, is voiced that the scale of finance is not being fixed at reasonable levels. It is suggested that the co-operative banks may be given certain flexibility to vary the DLTC fix scale of finance by certain percentages and decide the same by themselves as in the case of investment credit.
- NABARD is not able to refinance the co-operatives for 'consumption sub-limits', the cooperatives are therefore, not granting a limit for consumption. It is suggested that fund support to NABARD by RBI may be increased so as to enable it to finance this portion also.
- The moneylender continues to play a crucial role in financing the farmer. It is necessary that the scope of KCC is expanded further to facilitate faster turn over of credit. It is expected that, in the long run due to better performance of KCC the role of the money lender will be marginalized.
- The scheme uses an expression 'need based withdrawal'. This has necessitated close monitoring by bank and some times lack of faith. This could inhibit the flexibility in the system. The possibility of farmers applying for credit limit for crops with the highest scale of finance while actually growing some other crops is apprehended.
- Management Information System by controlling authorities on production credit, filling up LBRs, and claims/ premium on crop insurance require crop-wise data, on disbursement and outstanding. This necessitates generation of large volume of data on sub-limits and various crops covered by KCC. This also calls for exclusive back up data. As the banks have to reduce cost of operations they feel that the data requirement is large and there is redundancy.
- Computerization of District Central Cooperative Banks and PACS

For strengthening the Management Information System, common software is felt essential as the back offices of the DCCBs are expected to be connected with State Cooperative Bank.

- The DCCBs intending to initiate the computerization process for total bank automation have to go for computerization of their main branch and head office in the first phase and other branches in the second and subsequent phases according to convenience. Term loan at a subsidized rate of interest is made available from State Cooperative Bank to intending DCCBs.
- Software for computerization by DCCBs
- The software has since stabilized and it addresses all the essential requirements of the DCCBs.
- The DCCBs have also been given the liberty to go in for independent software with suitable interface, if they so desire.
- Creation of Master Data
- All the accounts maintained at branch level and Head office level respectively are expected to be entered in to system with the historical details.
- Development of a Core team
- The implementing DCCB appoints a Nodal Officer and a core team comprising at least three officers to implement the package. These officers are expected to learn the day to day operations of the software and regularly update their knowledge and skills so as to effectively remain in-charge of computerized operations of the bank. DCCBs were also advised that the core team members should not be transferred and allowed to continue till the computerization process is complete and the operations are stabilized.

CONCLUSION

KCC is one of the most innovative, widely accepted, highly appreciated and non-discriminatory banking products. It is beneficial to farmers. Though relative share of the institutions in the issue of agricultural crop loans remain the same the progress under KCC is highly satisfactory. Constant monitoring and thrust given by NABARD has substantially enabled the progress

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IMPACT OF FOREIGN EDUCATION PROVIDERS IN INDIA

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ABSTRACT

The Foreign Educational Institution (Regulation of Entry and Operation) Bill, 2010, was passed on May 3rd 2010. Even before the passing of the bill there were some foreign institutions offering their programmes in India. All major universities around the world have 'India' as a specific plan on their agenda. If foreign universities start operating in India, it will give students a choice and also expand their higher education offerings in India. There is a huge gap in the demand and supply in higher education sector and foreign universities will reduce some gap. It is expected that, some of the foreign universities will also improve the culture of research in India. Students in India will get a better choice and competitive pressures will also improve the quality of the present education providers in India. A study has therefore been carried out to find the impact of foreign education providers in India on the Indian economy and on the Indian educational system.

KEYWORDS

Foreign education bill 2010, Foreign education providers, Indian economy, Indian educational system.

INTRODUCTION

When the floodgates of our economy were opened a few years ago and multinational companies started their business in our country, everyone was sceptical about the nature of growth in our country. But all were pleasantly surprised by the success of globalization. Due to globalisation, the tremendous workforce in our country contributed to a stupendous annual growth of the economy. Globalisation has also added a new dimension to the Indian higher education structure which came due to the presence of Foreign Education Providers (FEP) in India. Towards the end of the last century, a diminishing of governmental support forced many universities in India to find new means of generating funds for their maintenance and development. India becoming a member of GATS provided an opportunity to market the educational wares in the developing world where there was a steadily increasing demand for higher education. So, as a part of globalisation- collaboration, partnership, mutual understanding and recognition has encouraged Foreign Education Providers to directly involve in India through commercial presence, which has proved to be most rewarding. In India, Foreign Education Providers have already started to provide their services.

Education builds the man so it builds the nation. Today we claim to be the biggest human resources supplier for the world, but are we concerned what quality of human capital we are building. The merger of Indian and Foreign academics is expected to be beneficial to India, since, it is essential for a society to innovate and survive in a global competitive environment. In the recent phase of internationalisation of education, Foreign Education Providers has brought about the movement of the institutions from one country to other country in order to provide foreign degrees in India. In recent years, foreign universities /institutions have developed academic collaborations with Indian institutions in different programmes of study amidst uncertainties in regulatory framework. Foreign Education Providers offer enormous opportunities to India as a dynamic catalyst in knowledge production and quality education. If India is to have a knowledge-driven economy in the coming decades, FEPs will need to play a great role in expanding institutional excellence to India and in creating opportunities for all sectors of the society. Overall, the move will increase the standard of education in our country. This will bring about an important dimension in the higher education system in India.

The need for global collaboration in higher education is the best solution to face the challenges of requirement of skilled manpower in 21st century. The Foreign Educational Institution (Regulation of Entry and Operation) Bill, 2010 which was passed in the Parliament on May 3rd 2010, would facilitate globally renowned institutes and universities to participate in India's higher education sector. Investment in higher education sector in India by foreign institutions would not only benefit Indian students but also help other countries.

INTRODUCTION OF THE BILL

The participation of foreign institutions in higher education was felt seriously recently by the Government of India. On 16th March 2010, the Union Cabinet gave clearance to a Bill that would allow foreign Universities to set up their own campuses in India. The Foreign Educational Institution (Regulation of Entry and Operation) Bill, 2010 was therefore introduced in the Lok Sabha on May 3rd 2010 by The Honourable Union Minister for Human Resources Development Mr. Kapil Sibal. The Bill was initially introduced in the Rajya Sabha in August 1995.

This bill seeks to regulate entry and operation of Foreign Educational Institutions imparting or intending to impart higher education and for matters connected therewith and incidental thereto. After the Cabinet approved the Bill, Honourable Union Minister for Human Resources Development Mr. Kapil Sibal said "This is a milestone which will enhance choices, increase competition and benchmark quality. A larger revolution than even in the telecom sector awaits us".

The Government's intention in bringing in the legislation was to withdraw itself from the field of higher education and give more professional autonomy to academic institutions in the higher education sector. This is considered as a welcome step when globalisation is set to dominate the global scenes for the years to come and the challenges in the coming years will be global.

"The enactment of a legislation regulating entry and operation of all the foreign educational institutions is necessary to maintain the standards of higher education within the country as well to protect the interest of the students and the public interest. The proposed legislation would regulate the entry of Foreign Education Providers as per India's priorities" said the Honourable Union Minister for Human Resources Development Mr. Kapil Sibal in a statement of the bill's objects and reasons.

SALIENT FEATURES OF THE FOREIGN EDUCATIONAL INSTITUTION (REGULATION OF ENTRY AND OPERATION) BILL, 2010

Some of the salient features of the Foreign Educational Institution (Regulation of Entry and Operation) Bill, 2010

1. Foreign educational institution means an institution established or incorporated outside India which has been offering educational services for at least twenty years in the country in which it had been established or incorporated, and which offers educational services in India or proposes to offer courses leading to award of degree or diploma or certificate or any other award through conventional method including classroom teaching method (not including distant mode) in India, independently or in collaboration, partnership or in a twinning
2. These institutions must give an undertaking that they have adequate financial resources to conduct the course or courses of study in India.
3. An institution can impart education in India unless it is recognised and notified by the Central Government as a Foreign Education Provider under the proposed legislation and offers education in conformity with the standards laid down by the statutory authority, and of comparable quality.
4. The Central Government may refuse to recognise and notify a foreign educational institution as Foreign Education Provider if it is not in the interest of sovereignty, integrity of India, the security of the state, friendly relations with foreign states, public order, decency or morality or sensitivity of location of the foreign educational institutions

5. Foreign Education Providers should be registered with the University Grants Commission (UGC) or any other regulatory body (which supersedes UGC), which will scrutinise proposals of aspiring institutions according to India's priorities.
6. Foreign universities aspiring to set up a campus will also have to maintain a corpus fund of not less than Rs 50 crore (US\$10million approx)
7. No part of the surplus in revenue generated in Indian by such Foreign Education Providers, after meeting all expenditure in regard to its operations in India, shall be invested for any purpose other than for the growth and development of education institutions established by it in India.
8. Moreover, a Foreign Education Provider shall, out of the income received from the corpus fund, utilise not more than 75 per cent of it for the development of its institutions in India. The remaining income will be deposited in the corpus fund.
9. A Foreign Education Provider shall ensure that the course or programme of study offered and imparted by it in India is, in conformity with the standards laid down by the statutory authority, and is of quality comparable, as to the curriculum, methods of imparting education and the faculty employed or engaged to impart education, to those offered by it to students enrolled in its main campus in the country in which such institution is established or incorporated.
10. Withdraw the recognition and rescind the notification of a Foreign Education Provider on the grounds of violation of the provisions of the proposed legislation or the University Grants Commission Act, 1956 or any other law for the time being in force and on such withdrawal or recession of notification, the Central Government shall make necessary alternative arrangements.

NEED FOR FOREIGN EDUCATION PROVIDERS

At the 25th India Economic Summit "Creating World-Class Education in India" The Honourable Union Minister for Human Resources Development Mr. Kapil Sibal said "India needs to prepare the critical mass of students to be ready for higher education since at present, only 12 per cent of the 220 million children who go to school in India reach college level. The target is to increase this to 30 per cent by year 2020. There are huge gaps in the skills development sphere too, that need urgent attention, with only around 12 per cent of India's 509 million young employed people equipped with the right skills." The total forex outflow in terms of education related payments from India to all foreign countries stood at \$2,247 million in FY'09 (provisional amount). The partially revised figures for FY'08 stood at \$2,827 million. While, the two fiscal years FY'06 and FY'07 saw an outflow of \$1.1 billion each and the same was \$642 million in fiscal 2004-05. This has resulted in the introduction of the Foreign Educational Institution (Regulation of Entry and Operation) Bill 2010 by The Honourable Union Minister for Human Resources Development Mr. Kapil Sibal.

For a sustainable collaboration, it is necessary that public system of higher education in India develops the partnership with foreign universities. This can, however, happen only when the Government of India develops an enabling framework to support it. There is high demand for the foreign education in India. With respect to students' preferences, it is important to note that they have been looking at investment in education as human capital formation. Demand for education is seen in terms of expected return in relation to fees. Hence, the preference for foreign universities is essentially in terms of higher employability.

One can fulfil his dream by getting foreign university degree without going abroad or doing only a part of their course abroad through Foreign Education Providers in India. Releasing its findings, ASSOCHAM (Associated Chambers of Commerce and Industry of India) President, Dr. Swati Piramal said that "Indian students going abroad, cost the country a foreign exchange outflow of \$ 10 billion annually and a legislative framework to provide foreign universities to open their campuses in India could prevent at least 3/4 of students number as they would prefer to study here". According to estimates made by ASSOCHAM "over 5 lakhs students choose to go overseas every year to obtain higher education which include professional courses in engineering, medical and management".

According to the National Knowledge Commission of India, Indian and Chinese students comprise the largest number of foreign students in America. More than 76,000 of the estimated 580,000 foreign nationals studying at the university level in the United States are Indian. Half of the world's top 200 Universities and Colleagues are from the USA and a number of American Universities have their sight on the Indian education sector. Many of these universities --California State University, Long Beach; Cornell University, Rice University, Champlain College, Columbia University, Carnegie Mellon University, Georgia Institute of Technology and Ohio University - have started their fully owned operations in India or planning partnerships with other universities.

The reason as to why large numbers of Indian students prefer to go to foreign universities is that such institutions in India have capacity constraints which deny them space. Secondly, many abroad going students have a perception that foreign education is qualitatively superior that provides skills to help them find better placement.

The emergence of Foreign Education Providers in India into India will prevent/reduce outflow of our students and our funds to foreign countries. This will help retain the best Indian talents, which in turn will provide more opportunities for youth to bring fresh investments in India.

POSITION OF FOREIGN EDUCATION PROVIDERS IN INDIA BEFORE THE INTRODUCTION OF THE BILL

Even before the passing of the bill a number of Foreign Education Providers have been operating in the country. They had to get the approval from the All India Council for Technical Education (AICTE) but most of them survived to operate without the approval of AICTE due to the students craze for a foreign degree. Though 100% foreign direct investment through automatic route was permitted in the education sector since 2000, foreign institutions in India were not allowed to grant degrees in India. The growth of Foreign Education Providers in India in collaboration with Indian partners were mostly in the private sector. It is also restricted to the big cities.

The programmes offered by these Foreign Education Providers have found ready acceptance in India partly because of unmet demand, but more because of the aura associated with foreign universities that, more often than not, translates into employment opportunities. The 'consumers' are largely young people from the more affluent families who are unable to secure admission to the better public institutions, in their own country, because of lower merit. However, considering the total student population the enrolment in the academic programmes offered by the foreign universities is insignificant. The programs offered in India are predominantly in the professional areas of management and engineering.

The regulatory bodies for higher education in India are concerned at the unregulated growth of Foreign Education Providers setting up campuses in India or offering twinning programmes in partnership with Indian institutions. At present, only the All India Council for Technical Education (AICTE) in May 2005 has notified regulations for entry and operation of foreign universities and institutions to impart technical education in India. The operation of Foreign Education Providers is totally unregulated and is basically guided by the market norms as they follow their own criteria of quality and course content. Its role in the host countries may diminish the quality and equity issue in higher education unless steps are taken to improve its quality and make it coherent and relevant. "A number of Foreign Education Providers have been operating in the country and some of them may be resorting to various malpractices to allure and attract students and no comprehensive and effective policy for regulation on the operations of all the Foreign Education Providers in the country. Due to lack of policy or regulatory regime it has been very difficult to make meaningful assessment of the operations of the Foreign Education Providers and absence of such meaningful assessment has given rise to chances of adoption of various unfair practices besides commercialisation" said The Honourable Union Minister for Human Resources Development Mr. Kapil Sibal.

The recently passed judgement by the Madras High Court delivered by Honourable Justice Shivraj Patil on 11/9/1997, W.M.P Nos 18290 18989, 18991, 21156/7 in W.P No. 11416 of 1997, on Bangalore management academy-a Foreign B-school about the approval of AICTE for the course they run with collaboration with foreign universities states that "Training students for foreign universities is not a sin under the law of the land and the institution are only required to inform the prospective students that this programme is not approved by the statutory bodies in India". Edith Cowan University (ECU) is an Australian Government University founded by an act of Australian Parliament and is also a member of Association of Common wealth Universities (ACU). Students are directly registered with ECU and the degrees are conferred in Australia and is the same status as the one awarded to the student in Australia. This degree does not make you eligible for any government jobs as it not approved by any statutory bodies like AICTE / UGC. But students are fully eligible to do their further higher studies or go for Private National and Multinational Jobs in India and Abroad, as it is fully recognized by all the universities within the ACU. Association of Indian Universities is also a member of ACU. Thus based on this judgement the Foreign Education Providers have grown in our country.

Thus as already seen there are Foreign education providers offering their courses in India. Their main concentration is in the field of Management and Business administration. The passing of the Foreign Education Institutions (Regulation of Entry and Operations) Bill, 2010, will surely encourage more Foreign education providers into India. This bill will also open the gates for huge investment in Indian Educational system. The proposed law would facilitate the globally-renowned

institutes to participate in India's higher education sector. Even if the above will impact a small percentage of our population, the influx of such global investments in the education sector will open up the job market. Education is one place India scores and good foreign universities will an added advantage. Indian universities are quite good too and the foreign universities will bring in their own sensibilities, hopefully creating an all-round beneficial environment for students.

Welcoming foreign universities, the Honourable Union Minister of Human Resources Development Mr. Kapil Sibal said, "International corporations were already setting up their research centres in India largely to benefit from the lower operating costs. Likewise, international educational institutions should see India as a low cost centre for developing human resources".

But there are also some apprehensions regarding the passing of the Foreign Education Institutions (Regulation of Entry And Operations) Bill, 2010. "This Bill is most unlikely to prevent/reduce outflow of our students and our funds to foreign countries. The motivation for majority of Indian students to study abroad is to seek immigration or jobs abroad. For some the campus experience and academic ambiance in foreign land is the motivation. Education quality will be enhanced, not in content, but in the processes of teaching, learning, mentoring, and managing" said M. Anandkrishnan, Chairman, IIT-Kanpur. Pankaj Jain, former director of the UK-based University of Leeds, says "Institutes in the US and the UK are bankrupt right now. State assistance is dwindling and domestic demand is stagnant. In such a scenario, they all want foreign students but do not have money to set up campuses abroad. For them, legitimacy of tie-ups to offer their own courses on foreign soil would be a welcome step. But top-notch institutes are unlikely to adopt this practice as it will dilute their brand value and may also result in lesser number of students reaching their parent campuses, which they do not want". Basudeb Acharia of the CPI (M) said allowing "foreign teaching shops" would further "distort the already elitist educational structure in the country" and make education more commercial".

RESEARCH ON THE IMPACT OF FOREIGN EDUCATION PROVIDERS ON INDIA

Thus it is seen that the passing of the Foreign Education Institutions (Regulation of Entry And Operations) Bill, 2010, is going to have an Impact on the Indian economy and also in the Indian educational system. The researcher has therefore decided to find the cause for the Impact of Foreign education providers on the Indian economy and also on the Indian educational system

OBJECTIVES OF THE STUDY

1. To study the impact of Foreign education providers in India on the Indian economy
2. To study the impact of Foreign education providers in Indian on the Indian educational system
3. To compare the impact of Foreign education providers in India on the Indian economy with the Indian educational system

HYPOTHESIS OF THE STUDY

The impact of Foreign education providers in India on the Indian economy is significantly greater than the impact of Foreign education providers in India on the Indian educational system.

RESEARCH METHODOLOGY

This is a scientific and analytical research study based on primary and secondary information. Primary data was collected by distributing questionnaire to faculty working in b-schools having tie up with foreign universities abroad. Secondary data was collected from the Internet, books, journals, newspapers etc. Non probability, convenience sample was adopted for the research. Faculty working in b-schools having tie up with foreign universities abroad was chosen as the sample due to the following reasons:

- a. As already seen, the main concentration of foreign education providers is in the field of management and business administration, hence b-schools were taken for the sample.
- b. Faculty of b-schools were found to be the appropriate respondents to express views relating to the impact of foreign education providers in India. A sample of 540 faculties working in b-schools having tie up with foreign universities abroad was selected. After filtering the questionnaires not replied properly, a final 500 questionnaire were selected for the study. The faculty were mainly from Chennai, Bangalore, Mumbai and Delhi as most of the b-schools having tie up with foreign universities are concentrated in these cities. The questionnaire had 2 parts. The first part was about the Impact of Foreign education providers on the economy and the second part was about the impact of Foreign education providers on the Indian education system. The data was stored in SPSS (Statistical package for social sciences) 11.0 version and the results are analysed and shown below.

RESULTS OF THE RESEARCH DONE ON THE IMPACT OF FOREIGN EDUCATION PROVIDERS IN INDIA

To study the Impact of Foreign education providers in India, the researcher has thought it fit to study the outcome for the impact of Foreign education providers in India. The researcher has identified two main areas where the impacts of Foreign education providers in India are mainly felt in India- Indian economy and Indian educational system. 12 outcome of the impact were identified by the researcher to study the impact of Foreign education providers on Indian economy and another 12 outcome of the impact were identified by the researcher to study the impact of Foreign education providers in India on the Indian educational system after doing Pilot study. Confirmatory Factor analysis was applied to these outcomes and finally 10 outcomes were chosen to study the impact of Foreign education providers in India on Indian economy another 10 outcome was chosen to study the impact of Foreign education providers in India on Indian educational system.

THE IMPACT OF FOREIGN EDUCATION PROVIDERS IN INDIA ON THE INDIAN ECONOMY

To study the Impact of Foreign education providers in India, 10 questions relating to outcome of the Impact Foreign education providers in India on the Indian economy were analysed. The questions were given on a five point Likert scale (strongly agree, agree, neutral, disagree and strongly disagree) and the results were analysed by using Friedman test, in order to test the significant difference between the various outcomes of the impact and shown below.

TABLE 1: FRIEDMAN TEST SHOWING THE IMPACT OF FOREIGN EDUCATION PROVIDERS IN INDIA ON THE INDIAN ECONOMY

Impact of Foreign education providers in India on the Indian economy	Mean	χ2 value	P value
Help generate income into our country.	4.10	264.96	0.00**
Infrastructure and technology will improve in India.	4.02		
Students of B-schools having tie up with foreign universities will be preferred by Multinational companies	3.84		
Government expenditure on higher education will be reduced	3.76		
More Indian companies will become Multinational companies	3.73		
India will become an educational hub in the world.	3.70		
Fees for higher education will become affordable.	3.67		
Retains Indian students from studying abroad that prevents outflow of funds	3.66		
Development of economy due to global knowledge	3.53		
Will avoid "brain drain" in India.	3.36		

Note: ** denotes significance at 1% level *denotes significance at 5% level

Source: Primary

INFERENCE

The mean value of all the outcome of the Impact of Foreign education providers in India on the Indian economy is > 3. This implies that there is a positive Impact of Foreign education provider in India on the Indian economy. Applying Friedman test a significant difference between the various outcomes of the Impact of Foreign education providers in India on the Indian economy is found (P <0.01). Based on the mean value it can be concluded that the major outcome of the Impact of Foreign education providers in India on the Indian economy will be 'Help generate income into our country' followed by 'Infrastructure and technology will improve in India' followed by 'Students preferred by Multinational companies' followed by 'Government expenditure on will be reduced' followed by 'Indian companies will become Multinational companies'. From this it can be concluded that Foreign education providers will bring an overall development in India.

THE IMPACT OF FOREIGN EDUCATION PROVIDERS IN INDIA ON THE INDIAN EDUCATIONAL SYSTEM

To study the Impact of Foreign education providers in India on the Indian educational system, 10 questions relating to outcome of the Impact Foreign education providers in India on the Indian educational system was analysed. The questions were given on a five point Likert scale (strongly agree, agree, neutral, disagree and strongly disagree) and the results were analysed by using Friedman test to test the significant difference between the outcomes of the impact and shown below.

TABLE 2: FRIEDMAN TEST SHOWING THE IMPACT OF FOREIGN EDUCATION PROVIDERS IN INDIA ON THE INDIAN EDUCATIONAL SYSTEM

Impact of Foreign education providers in India on the Indian educational system	Mean	χ ² value	P value
Curriculum in Indian Universities will be revamped	4.05	101.56	0.00**
More Indian universities will have tie up with Foreign universities	4.03		
Education system at school level will be revamped	3.92		
Change in teaching methodology in Indian universities	3.90		
Foreign education providers will help research opportunities abroad	3.87		
Rare specialisation will be offered by Indian universities	3.81		
Awareness among students to study in Indian universities having tie up with Foreign universities	3.80		
Indian universities will upgrade themselves for their survival.	3.78		
Opportunity to mingle with students from other countries	3.78		
More internationally reputed faculty in India	3.74		

Note: ** denotes significance at 1% level *denotes significance at 5% level

Source: Primary

INFERENCE

The mean value of all the outcome of the Impact of Foreign education providers in India on the Indian educational system > 3. This implies that there is a positive Impact of Foreign education provider in India on the Indian educational system. Applying Friedman test a significant difference between the various outcomes of the Impact of Foreign education providers in India on the Indian educational system is found (P <0.01). Based on the mean value it can be concluded that the major outcome of the Impact of Foreign education providers in India on the Indian educational system will be 'Curriculum in Indian universities will be revamped', followed by 'More Indian universities will have tie up with Foreign universities' followed by 'Education system at school level to be revamped' followed by 'Change in Teaching methodology in Indian universities' followed by 'Foreign education providers will help research opportunities abroad'. From this it can be concluded that Foreign education providers in India will bring an overall development in Indian educational system.

COMPARISON OF IMPACT OF FOREIGN EDUCATION PROVIDERS IN INDIA ON INDIAN ECONOMY WITH INDIAN EDUCATION SYSTEM

Total scores were taken to compare the Impact of Foreign education providers in India on Indian economy with the Indian education system. Hypothesis that states 'The impact of Foreign education providers in India on the Indian economy is significantly greater than the impact of Foreign education providers in India on the Indian educational system' was tested using Wilcoxon signed ranks Test. Wilcoxon signed ranks Test was applied since both the samples that are tested are the same, and the results are as follows:

TABLE 3: WILCOXON SIGNED RANKS TEST FOR SIGNIFICANT DIFFERENCE BETWEEN THE COMPARISON OF 'THE IMPACT OF FOREIGN EDUCATION PROVIDERS IN INDIA ON THE INDIAN ECONOMY' AND 'THE IMPACT OF FOREIGN EDUCATION PROVIDERS IN INDIA ON THE INDIAN EDUCATIONAL SYSTEM'.

The total of the impact of Foreign education providers in India on the	N	Frequency	Mean Rank	Z value	P value
Indian educational system < Indian economy	166	500	196.49	6.521	0.00**
Indian educational system > Indian economy	283	500	241.72		
Indian educational system = Indian economy	51				

Note: ** denotes significance at 1% level *denotes significance at 5% level

Source: Primary

INFERENCE

Since the P value is less than 0.01, there is a significant difference between the mean rank of 'the impact of Foreign education providers in India on the Indian economy' and 'the impact of Foreign education providers in India on the Indian educational system'. Since the mean rank of 'the impact of Foreign education providers in India on the Indian educational system' is greater than 'the impact of Foreign education providers in India on the Indian economy', the Hypothesis 'the impact of Foreign education providers in India on the Indian economy is significantly greater than the impact of Foreign education providers in India on the Indian educational system' is disproved. Hence it can be concluded that 'the impact of Foreign education providers in India on the Indian educational system' is greater than 'the impact of Foreign education providers in India on the Indian economy'. As the 'the impact of Foreign education providers in India on the Indian educational system' is greater, it can be concluded that in future, a positive impact will be felt in the Indian educational system due to the presence Foreign education providers in India.

SUMMARY

Foreign education providers do impact our Indian economy as well as our Indian educational system. Its Impact on our Indian economy will be seen mainly in areas such as generating income into our country, improvement of infrastructure and technology in India, preference given by Multinational companies to students studying in institutions having tie up with foreign universities, reduction in Government expenditure towards education and most of Indian companies will become Multinational companies'.

Impact of Foreign education providers on the Indian education system will be seen in areas such as revamping of curriculum by Indian universities, more Indian universities will have tie up with Foreign universities, education system at school level to be revamped, change in teaching methodology in Indian universities and Foreign education providers will help research opportunities abroad.

The impact of Foreign education providers in India on the Indian educational system is found to be greater than the impact of Foreign education providers in India on the Indian economy. Hence it can be concluded that in future, a positive impact will be felt in the Indian educational system due to the presence Foreign education providers in India.

CONCLUSION

The growth of Foreign education providers is sure to be seen in India in the coming years. This, not only brings an overall development in India, but also will bring a drastic change in the educational set up of our country. Curriculum will be in par with international standards, teaching methodology followed abroad will be adopted in India, global knowledge and skills developed by students, research opportunities abroad, multinational companies will flourish in India and job opportunities will increase in India. Thus foreign education providers will have a positive impact in our country which we hope to see if the Foreign education bill becomes an Act and takes effect in the near future.

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EMOTIONAL INTELLIGENCE AND STRESSORS AMONG WORKING COUPLES

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ABSTRACT

This was an ex-post-facto study to analyze emotional intelligence and stress among working couples conducted on a sample of 280 working couples of Delhi city (both New Delhi and Old Delhi). The age of the respondent ranged between 24 and 69 years. The couples (respondents) were selected based on the criteria that both of them should be working for at least 5 years, either of the couples should be a primary school teachers, executives in financial consultancy firms, Customers Relation Executives of call centres, CAs, Property Dealers, Advertising Agency Executives, Computer hardware technicians, Sales staff, marketing staff who had been married for at least 5 years and having at least one child. In the Indian context transition of gender inequality and gender roles deviate from traditional form to modern gender role expectations that have been observed to constitute cultural disparity that affect the work-family culture interface. The growing number of educated women employees in India in the urban, organized, industrial sector in technical, professional, and managerial positions has been accompanied by a steady growth in dual earner families. And gender role expectations and gender-based socialization have led men to identify themselves with the family role. The participation of women in paid employment has therefore been hailed as a harbinger of changes in gender relations within the family, reflected in the term 'new families'.

KEYWORDS

Emotional intelligence, stress, working couples.

INTRODUCTION

This was an ex-post-facto study to analyze emotional intelligence and stress among working couples conducted on a sample of 280 working couples of Delhi city (both New Delhi and Old Delhi). The age of the respondent ranged between 24 and 69 years. The couples (respondents) were selected based on the criteria that both of them should be working for at least 5 years, either of the couples should be a primary school teachers, executives in financial consultancy firms, Customers Relation Executives of call centres, CAs, Property Dealers, Advertising Agency Executives, Computer hardware technicians, Sales staff, marketing staff who had been married for at least 5 years and having at least one child.

In the Indian context transition of gender inequality and gender roles deviate from traditional form to modern gender role expectations that have been observed to constitute cultural disparity that affect the work-family culture interface. The growing number of educated women employees in India in the urban, organized, industrial sector in technical, professional, and managerial positions has been accompanied by a steady growth in dual earner families. And gender role expectations and gender-based socialization have led men to identify themselves with the family role. The participation of women in paid employment has therefore been hailed as a harbinger of changes in gender relations within the family, reflected in the term 'new families'.

Emotional intelligence is the ability to accurately identify and understand one's own emotional reactions and those of others. It also includes the ability to regulate one's emotions and to use them to make good decisions and act effectively. EI provides many competencies that are critical for effective performance in the workplace. To effectively influence others we also need to be able to manage our own emotions

Stress has now become an area of concern for all types of occupations. There is little doubt, however, that some professions have fared worse than others. The transactional perspective of stress (Lazarus and Folkman, 1984) emphasizes the role of 'cognitive appraisal' and 'coping responses'. A stressful transaction begins with primary cognitive appraisal, which a situation requires as an effective response to avoid or reduce physical or psychological threat or harm, and a secondary appraisal.

Human services, sometimes called "direct person-related jobs", include such occupations as counselors, social workers, nurses, and teachers. In those jobs, the primary task is to modify the clients/patients physically or psychologically. In human services, knowledge, skills, motivation of employees, working conditions, expectations and behavior of the customer create the service delivery process. The performance of human service occupations is inherent to strain and emotions, which may lead to sense of stress.

Why is human service work so stressful?

Basically, stress results from the customers' behavior (sometimes demanding and aggressive) and complaints. Stress may also result from poor work conditions, particularly lack of control (autonomy), poor social relations and lack of social support lack of rewards, work overload (particularly too many administrative tasks), or routinization. Human service work is evidently linked with experienced emotions. One aspect of this emotion at work, which is related to stress, is the requirement to express positive (and sometimes negative) emotions towards customers.

However, it is argued that this is not per se stressful. Emotional dissonance, which applies to the frequency of having displayed emotions (usually positive) that are not in line with those genuinely felt (neutral or negative), is rather conceived as stressful (e.g., smiling at a difficult customer may create emotional dissonance). Frequent experience of emotional dissonance leads to a loss of the capability to regulate one's own emotions, which means the loss of a particular internal resource.

In turn, ability to recognize people's emotions and to regulate one's own emotions seems to be very important in human service work. This ability, defined as emotional intelligence (EI) construct, has been introduced by Salovey and Mayer. It refers to one's ability to be aware of one's own feelings, to be aware of other feelings, to differentiate among them, and to use the information to guide one's own thinking and behavior. A temporary definition of emotional intelligence according to these authors indicates that it is "...an ability to recognize the meanings of emotions and the relationships, and to reason and problem- solve on the basis of them. Emotional intelligence is involved in the capacity to perceive emotions, assimilate emotion-related feelings, understand the information of those emotions and manage them" [9].

Emotional intelligence has become of widespread interest to psychological research in recent years. It has been claimed that emotional intelligence is one of the important factors that determine success in life and psychological well-being [10,11]. Nowicki and Duke [12] provide evidence for a direct link between emotional intelligence and academic achievement. Svyantek and Rahim [13] indicate that EI may be an important adaptive mechanism for helping individuals to interact with their environment, including work environment. Goleman [14] reports that EI is twice as important as technical skills and more important than IQ for success in jobs at all levels. Weisinger [15] suggests that EI is related to success at work and plays a significant role in a certain aspects of effective team leadership and team performance.

It should be, however, stressed that studies exploring the relationship between EI and experienced job stress and its outcomes are rather scanty. In one of them, Slaski and Cartwright [16] found that managers high in emotional intelligence revealed less subjective stress and had better physical and psychological well-being. Similarly, Gardner and Stough [17] revealed negative relationship between EI and occupational stress. In another study, Bar-On et al. [18] indicated that police officers scored significantly higher on emotional intelligence were less vulnerable to experienced stress and better coped with it. In turn, Reilly [19] in a study of hospital nurses identified negative correlation between EI and burnout syndrome. Similarly, Duran and Extremer [20], in their study including professionals employed in institutions for people with intellectual disabilities, revealed a significant relationship between emotional intelligence and burnout

syndrome, and personal accomplishment in particular. The data clearly indicated that EI expressed in the ability to recognize, express, and control emotions may have impact on the perceived job stress and the consequences of experienced stress. The purpose of the study was to explore the relationship between emotional intelligence and perceived stress in the workplace and health-related consequences in human service workers.

According to its contemporary meaning, occupational stress is a complex, dynamic process in which various factors (stressors) and modifying variables are interrelated [4,21–23]. Whether a stressor produces an enduring health outcome or not depends on the extent to which the person perceives the condition as stressful and responses to it. His or her perception and response are affected by a number of modifying variables, mainly by personal resources.

These resources seem to become very important factors that determine the experience of occupational stress and its related effects. It is expected that subjects with high level of emotional intelligence (one of the personal resources) will perceive their work environment as less stressful and they will experience less negative health consequences. The buffering role of emotional intelligence was also investigating in this study. One can assume that a high level of emotional intelligence may reduce adverse health outcomes even in highly stressful conditions.

PRESENT STUDY

AIM: In this study an analysis of emotional intelligence and stressors and their relationship is undertaken. The results of the present study are discussed and interpreted under the following sub-headings:

Demographic characteristics of the couples

Relationship of demographic characteristics with emotional intelligence and stress of the couples

Status of emotional intelligence among the couples

Relationship between the couples on the components of emotional intelligence

Status of stress among the couples

Relationship between the couples on stressors

Relationship between emotional intelligence and stress

This study was aimed to identify the level of stress and emotional intelligence and their relationship among working couples. This study was an ex-post facto analysis of stress and emotional intelligence.

A sample of 330 participants (42.4% of men and 57.6% of women), representing HR professionals: Physicians (n = 70), Nurses (n = 70), Teachers (n = 60), Probation officers in Women & Child Welfare Department- (n = 60) and Executives (n = 70), was eligible for the study. The mean age in the group was 38.4 years (SD = 8.45), and work experience was 83 years (SD = 6.13). There were 68.8% of employees with high education; 16.1% were single, 74.2% were married, and 9.7% were divorced or widowed.

The data were collected in the participants' workplaces (school, hospital, office). The participants, who were informed about confidentiality issues, administered a self report pack, which incorporated the measure of emotional intelligence, perceived job stress, and general health status. The following methods were used in the study:

The Emotional Intelligence Questionnaire – (EI) Goleman (1997) defined EI as knowing what you are feeling and being able to handle those feelings without them swamping you; being able to motivate yourself to get jobs done, to be creative and to perform at your peak; sensing what others are feeling and handling relationships effectively.

This questionnaire consists of 30 items with the range of responses from 1 ("I don't agree at all") to 5 ("I completely agree") and scores from 33 to 165. The higher the score the higher the emotional intelligence. The psychometric characteristics of the questionnaire is satisfactory. Cronbach's alpha was 0.83–0.87; test-retest was 0.88 for men and 0.81 for women. Emotional intelligence correlates negatively with anxiety, alexythymia and neuroticism, but positively with extraversion, openness to experience, and need for social desirability.

VARIABLES AND THEIR MEASUREMENT

The details of independent and dependent variables selected for the study are given below:

For the present study, emotional intelligence and demographic characteristics were selected as independent variables and stress as dependent variable.

Independent variables

Emotional Intelligence:

a) **Emotional intelligence** (EI) Goleman (1997) defined EI as knowing what you are feeling and being able to handle those feelings without them swamping you; being able to motivate yourself to get jobs done, to be creative and to perform at your peak; sensing what others are feeling and handling relationships effectively. Dulewicz and Higgs (2001) have given seven components of emotional intelligence viz., self awareness, emotional resilience, motivation, interpersonal sensitivity, influence, intuitiveness and conscientiousness.

b) Demographic variables:

Age: The chronological age of the respondents in completed years at the time of investigation is referred to as 'age'. There were three categories of age: 18-40 Early adulthood, 41-60 Middle-ages and 60 Old age

Gender: It is a scheme of classification of the individuals based on biological differences as males and females.

Education: Years of education was counted for the respondent's educational level.

Type of family: Type of family was classified into two types depending on the structure

Nuclear family: It consists of husband, wife and their children.

Joint family: It consists of more than the primary family, that includes grand parents, uncles, aunts, cousins etc.

Religion: Religion refers to religions community in which the respondent is born. The respondents were classified into five religions they are Hindu, Muslim, Christian, Scheduled Caste and Scheduled Tribe.

Medium of instruction: It refers to the mode of language in which the formal education of the respondent was carried out. It was grouped into six categories such as Hindi and English.

Schooling: It refers to the place/locale where the respondent's formal education was carried out.

Two groups were made: Rural and Urban

Dependent variable

Stress

Akinboye *et al.* (2002) defined stress as an unavoidable characteristic of life and work. Occupational stress describes physical, mental and emotional wear and tear brought about by incongruence between the requirement of job and the capabilities, resources and needs of the employee to cope with job demands. The stressors were categorized into six components which caused stress in the following aspects: self stressors, child stressors, spousal stressors, financial stressors, job stressors and health stressors.

The tools and instruments used to carry out the present research are enumerated below:

Personal information schedule

Stress scale (Bhagwatwar, 2000)

Emotional intelligence questionnaire (Dulewicz and Higgs, 2001)

Description of the tools

Personal information schedule

The personal information schedule consists of items to collect information of the respondents regarding age, gender, education, years of qualification, their occupation, no. of working hours, type of family, domicile, no. of children, type of housing, facilities available in the house, and the type of institution they work.

Stress Scale

The scale developed by Bhagwatwar (2000) was adopted in this study to measure the level of stress. It consists of 80 items and is a 7 point scale.

Levels Score

- No stress at all (NS) 1
- Little stress (LS) 2
- Some stress (SS) 3
- Moderately tolerable stress (MTS) 4
- Substantial stress (SES) 5
- High stress (HS) 6
- Tremendously high stress (THS) 7

TABLE 1: MEANS AND STANDARD DEVIATIONS OF EXAMINED VARIABLES

Variables	MEAN	TD. DEVIATION
Emotional intelligence	123.58	15.15
Perceived stress at work (general)	114.57	25.84
Work overload	20.68	6.82
Lack of rewards	18.15	6.49
Uncertainty in workplace	15.38	4.44
Social relations	10.42	2.58
Threat	10.67	3.85
Physical burdens	6.97	3.18
Unpleasant work conditions	5.10	2.83
Lack of control	7.75	2.26
Lack of support	5.08	1.98
Responsibility	8.26	2.97
General health status	23.08	11.16
Somatic complaints	6.99	4.05
Anxiety/insomnia	6.81	4.31
Functioning disorders	7.19	2.66
Depression symptoms	2.11	1.91

The examined workers experienced high level of stress (according to normative data). The highest EI level was observed in teachers (M = 130.58; SD = 29.67), and the lowest in managers (M = 99.23; SD = 19.84). The differences were statistically significant, $p < 0.001$. Work overload and lack of reward and social relations were found to be the most stressful factors experienced by human service workers.

The examined workers showed an average state of health (according to normative data) and the worst health condition was observed in probation officers (M = 25.52; SD = 12.94) and the best in teachers (M = 17.18; SD = 9.93). There were statistically significant differences between the level of health status in probation officers and the remaining groups of human service workers ($p < 0.01$).

Gender differences in all examined variables were also analyzed. The obtained data indicated a higher EI level in women than in men. They did not differ in the level of stress generally perceived at work (however, women showed a higher level of work overload, lack of rewards, uncertainty in the workplace, but a lower level of threat). Moreover, women showed a worse health status, expressed by the high level of somatic complaints and anxiety/insomnia.

The next stage of the data analysis was to establish the relationship between emotional intelligence and perceived job stress and health status in the study group of human service workers. Pearson's correlation coefficients are presented in Table 3. The results indicated a significant negative relationship between emotional intelligence and perceived stress in the workplace.

The higher the level of emotional intelligence the lower the experienced stress. Taking particularly into account factors related to stress at work, one may observe that the higher the level of emotional intelligence the lower the sense of lack of control and lack of support. However, the obtained correlation coefficients were not strong, which indicates rather weak relationship between emotional intelligence and perceived job stress.

GENDER DIFFERENCES IN EMOTIONAL INTELLIGENCE, PERCEIVED JOB STRESS, AND HEALTH STATUS IN THE STUDY GROUP OF HUMAN SERVICE WORKERS

Variables	Men		Women		t	P
	M	SD	M	SD		
Emotional Intelligence	121.41	15.95	125.18	14.37	-2.247	0.02
Perceived Stress	112.24	25.73	116.20	25.86	-1.379	NS
Work Overload	19.73	6.38	21.38	7.05	-2.192	0.02
Lack of rewards	17.34	6.76	18.75	6.22	-1.961	0.05
Uncertainty-workplace	15.17	4.78	15.53	4.18	-0.717	0.05
Social relations	10.44	2.59	10.41	2.57	0.112	NS
Threat	11.32	3.71	10.19	3.88	2.651	0.01
Physical burdens	6.96	3.11	6.97	3.24	-0.047	NS
Unpleasant work	5.20	2.69	5.03	2.93	0.550	NS
Lack of control	7.56	2.40	7.88	2.13	-1.253	NS
Lack of support	5.15	1.97	5.03	1.99	0.559	NS
Responsibility	8.41	2.83	8.15	3.07	0.789	NS
General health status	21.47	10.22	24.26	11.68	-2.259	0.02
Somatic complaints	6.34	3.93	7.47	4.08	-2.641	0.01
Anxiety/insomnia	6.07	3.76	7.35	4.60	-2.684	0.01
Functioning disorders	6.96	2.50	7.37	2.76	-1.390	NS
Depression symptoms	2.19	3.17	2.07	3.06	0.339	NS

M- Mean SD-Standard Deviation t-t test value P-level of Significance NS-Not Significant.

DISCUSSION AND CONCLUSIONS

The results of the study showed that human service workers experience high level of stress (the highest was observed in teachers). The level of stress experienced at work by this occupational group is higher than that experienced by firefighters (M = 107.4), prison officers (M = 104.5), bank workers (M = 90.5) or journalists (M = 98.6) (measured with the same method), and lower compared to actors (M = 130.2) and police officers (M = 122.7) [27]. Work overload, lack of rewards and social relations appeared to be the most stressful work-related factors.

The level of emotional intelligence of examined physicians, nurses, teachers, probation officers and managers was similar to the level observed in workers representing other human service professions, e.g., psychologists (M = 126.4) or clergies (M = 126.5) [11], but it was higher in workers of uniformed professions, e.g., firefighters (M = 119.23) or security guards (M = 115.28) (measured with the same method) [27]. In the study group, 110 (33.3%) workers showed low and 68 (20.6%) high level of emotional intelligence, whereas in the others, the average level of emotional intelligence was observed. The average state of health was found in all workers under study. The level of general health status was similar to that in other groups of employees, e.g., security guards (M = 23.16), bus drivers (M = 22.86), better than in prison officers (M = 15.02) and city guards (M = 15.70), and a little worse than in journalists (M = 24.77) [27] and police officers (M = 25.31) [26].

The employees reporting a higher EI level perceived a lower level of occupational stress and suffered less from negative health consequences. Emotional intelligence plays the buffering role (but rather weak) in preventing the workers from negative health outcomes, especially from depression symptoms. The present study identified the significance of EI in both perceiving job stress and preventing mental health disorders, and depression symptoms in particular.

Individuals with high level of emotional intelligence, pronounced by the ability to recognize and express emotions as well as to manage and control them, showed the ability to better cope with stress and suffer less from adverse health outcomes. It is consistent with the data reported by Pau et. al [28], indicating that individuals with high EI level were more likely to adopt reflection and appraisal, social, organizational and time-management skills. Low EI subjects were more likely to be engaged in health-damaging behaviors.

One can conclude that the ability to effectively deal with emotions and emotional information in the workplace assists employees in managing occupational stress and maintaining psychological well-being. This study also indicated that stress reduction and health protection could be achieved not only by decreasing work demands (stressors), but also by increasing the personal resources of employees, including emotion intelligence.

The increasing of EI skills (empathy, impulse control) necessary for successful job performance can help workers to deal more effectively with their feelings, and thus directly decrease the level of job stress and indirectly protect their health. The results of the study indicate the need to develop intervention programs aimed at increasing the EI level and better coping with stress.

Organizations that offer their employees a combination of EI and stress management training provide them with an opportunity to acquire the necessary skills to satisfy more effectively the requirements of their job. Moreover, the incorporation of the EI questionnaires into a battery of tests used in recruitment and selection procedures seems to be a promising tool in improving the predictive validity of the selection method. There are some limitations of the presented study.

The adopted cross-sectional research design does not allow for affirmative causal explanations. The study provides no information on the job stress process. Further research including more objective measures of experienced job stress and additional EI measures (e.g., observer's ratings) as well as investigating other consequences of stress in the workplace, especially burnout syndrome, is required.

Emotional intelligence questionnaire developed and standardized by Dulewicz and Higgs (2001). It consists of 84 statements with 7 subscales. Each subscale has 12 items. The score of each sub scale ranges from 12 to 84. Description of the sub scales is as follows :

Self Awareness: The awareness of one's own feeling and ability to recognize and manage these feelings in a way which one feels that one can control. This factor includes a degree of self belief in one's ability to manage one's emotions and to control their impact in a work environment.

Emotional resilience: The ability to perform consistently in a range of situations under pressure and to adopt behavior appropriately. The ability to balance the needs of situation and tasks with the needs and concerns of individuals involved. The ability to retain the focus on a course of action or need for results in the phase of personal challenge or criticism.

Motivation: It refers to the drive and energy to achieve clear results and make an impact and also to balance short and long term goals with an ability to perceive demanding goals in the phase of rejection or questioning.

Interpersonal sensitivity: It is the ability to be aware of and take account of the means and perception of others in arriving at decisions and proposing solutions to problems and challenges.

The ability to build from this awareness and achieve the commitment of others to decisions and action ideas. The willingness to keep open one's thought on possible solutions to problems and to actively listen to reflect on the reactions and inputs from others. Influence: It refers to the ability to persuade others to change a view point based on understanding of this position and recognition of the need to listen to this perspective and provide a rational for change.

Intuitiveness: It is the ability to arrive at clear decision and drive their implementation when present with incomplete or ambiguous information using both rational and emotional or intuitive perception of key issues and implications.

Conscientiousness: It is the ability to display clear commitment to a course of action in the phase of challenge and to 'match words with deeds' in encouraging others to support the chosen direction. The personal commitment to pursuing an ethical solution to a difficulty business issue or problem.

The major general inferences drawn from the study were as follows:

Background of the couples:

- 1) The age of the couples ranged between 24 years and 69 years, with mean age of males 45.01 years and mean age of females 40.10 years. Majority of the couples were in their Middle-age followed by early adulthood.
- 2) Majority of the couples were from Hindu religion.
- 3) Most of the couples had completed their schooling in urban areas.
- 4) Majority of the couples had Hindi as their medium of instruction.
- 5) Most of them were employed in non-aided institutions.
- 6) Most of them had completed 13-15 years of education.
- 7) Majority of the couples were in teaching profession.
- 8) Most of them were working for 7-8 hours per day.
- 9) Majority of the couples were vegetarians and were from nuclear families living in their own houses.

Relationship of demographic characteristics with emotional intelligence and stress

- 1) There was no significant relationship between medium of instruction, type of institute, years of education and stress.

Status of components of emotional intelligence among the working couples

- 1) Among the couples, about 11, 7 and 82 per cent had developed lower, average and higher emotional intelligence.

Relationship between emotional intelligence and stress of the couples

- 1) There was no significant relationship between self-awareness, motivation, influence, Conscientiousness, emotional intelligence and stress.
- 2) There was a significant and negative relationship between emotional resilience, Interpersonal sensitivity and stress.
- 3) There was a positive and significant relationship between intuitiveness and stress.

Status of components of stress among the working couples

- 1) The first-order stressor among the self stressors was due to peers which contributed to stress always among 8.1 per cent of the couples.
- 2) The first-order stressor among the stressors related to children was bad habits of the children which contributed to stress always among 6.8 per cent of the couples.
- 3) The first-order stressor among the spousal stressors which contributed to stress always among 14.8 per cent of the couples was "my spouse had started drinking alcohol".
- 4) The first-order stressor among the financial stressors which contributed to stress always among 10.3 per cent of the couples was having a deficit in the financial matters.
- 5) The first-order stressor among the job stressors which contributed to stress always among 8.7 per cent of the couples was encouragement of unhealthy competition at work.

6) The first-order stressor among the health stressors which contributed to stress always among 5.8 per cent of the couples was a family member suffering from an incurable disease.

Relationship between the couples on stressors.

1) There was a positive and significant relationship between self stressors, child stressors, spousal stressors, financial stressors, job stressors, health stressors and couples.

Relationship between emotional intelligence and stress.

1) There was no significant relationship between self-awareness, influence, conscientiousness, emotional intelligence and stress of the couples. But, even then, it signified a negative relationship.

2) There was no significant relationship between motivation and stress. But, even then, it signified a positive relationship.

3) There was a significant negative relationship between emotional resilience, interpersonal sensitivity and stress.

4) There was a positive and significant relationship between intuitiveness and stress.

IMPLICATIONS

The study reveals that about 80 per cent of the respondents have developed higher level of emotional intelligence. Even then, about 15 per cent of the respondents have been experiencing maximum stress always in the marital relationship. This is significant information to create awareness among family members to resolve stressors of marital relationship by using their emotional intelligence effectively.

Similarly about 10 per cent of the respondents are experiencing high stress due to financial matters, about 7 per cent of the respondents are experiencing high stress in relation to their children and around 9 per cent of the respondents are experiencing high stress in the job situation.

These results signify that among the working couples 8-15 per cent of the couples are experiencing high stress. This is to be a significant indicator of future anomaly. Therefore there is the need of effective management of the stressors by making use of emotional intelligence potentiality by effective counseling.

There is inverse relationship between the components of emotional intelligence and stress which clearly is an indicative of effective measures to manage stressors in day-to-day life. So, it is important to develop understanding among the couples to face and resolve the state of stress by making use of their emotional potentiality at appropriate time consciously.

The study has revealed a remarkable status between the couples that the relationship between the couples on the components of stress that the development of stress in their partner is a significant contributor for development of stress among themselves. Therefore it is prime perspective to resolving the couple stress by discussing the stressors which are responsible for the stress. Otherwise, both will experience detrimental effect of stressors.

Similarly it is confirmed that the potentiality of emotional intelligence of a life partner will have positive reinforcing effect on the development of emotional potentiality of another partner. So, it is necessary to express the emotional reaction genuinely and share the experience genuinely to resolve consequential effect and develop affirmative emotional perspectives.

The following questions were remained unanswered for quite some time but efforts were made through this study to derive at some justified and balanced answers to prove my study yielded desirable results. These questions were as under:

Can Adults Become More Emotionally Intelligent?

Many managers and executives who accept the notion that emotional intelligence is vital for success are less certain about whether it can be improved. On the other hand, there are consultants and trainers who claim that they can raise the emotional intelligence of a whole group of employees in a day or less.

What Is the Best Way to Improve Emotional Intelligence?

To be effective, change efforts need to begin with the realization that emotional learning differs from cognitive and technical learning in some important ways. Emotional capacities like self-confidence and empathy differ from cognitive abilities because they draw on different brain areas.

Purely cognitive abilities are based in the neocortex. But with social and emotional competencies, additional brain areas are involved, mainly the circuitry that runs from the emotional centres to the prefrontal lobes. Effective learning for emotional competence has to retune these circuits.

IMPLICATIONS FOR TRAINING AND DEVELOPMENT

Because emotional learning differs from cognitive learning in a number of ways, training and development efforts need to incorporate a number of elements. Below are some of the most important ones.

1. **Practice:** There needs to be much more opportunity for practice than one normally sees in the typical work-based training programme. Not only do there need to be many opportunities during the training itself, but also the learners need to practice new ways of thinking and acting in other settings—on the job, at home, with friends, etc. And this regimen needs to occur over a period of months.
2. **Ongoing encouragement and reinforcement from others:** Even with ample practice during the training phase, the old neural pathways can re-establish themselves all too easily unless learners are repeatedly encouraged and reinforced to use the new skills on the job.
3. **Support from the boss:** A learner's bosses play an especially critical role in providing the support necessary for successful change. Reinforcement by one's supervisor can be especially powerful in helping new emotional competencies to take root. Also, supervisors influence transfer and maintenance of new competencies indirectly by serving as powerful models.
4. **Experiential learning:** In addition to sustained practice, feedback, reinforcement, and support, effective social and emotional learning needs to be based primarily on experiential activity rather than more intellectual, didactic approaches. Developing a social or emotional competency requires engagement of the emotional, non-cognitive parts of the brain.
5. **Emotionally intelligent trainers and coaches:** Because the competencies involved in social and emotional learning are so central to our personal identities, special care and sensitivity is required in the way that training is presented.
6. **Anticipation and preparation for setbacks:** Even when a training programme has all of these elements necessary for successful personal change—ample practice and support, emotionally intelligent trainers, etc.—learners will inevitably encounter setbacks.

CONCLUSION

Emotional intelligence can make a big difference for both individual and organizational effectiveness. However, if the current interest in promoting emotional intelligence at work is to be a serious, sustained effort, rather than just another management fad, it is important that practitioners try to utilize practices based on the best available research. Only when the training is based on sound, empirically based methods will its promise be realized.

This was an ex-post-facto study to analyze emotional intelligence and stress among working couples conducted on a sample of 280 working couples of Delhi city (both New Delhi and Old Delhi). The age of the respondent ranged between 24 and 69 years. The couples (respondents) were selected based on the criteria that both of them should be working for at least 5 years, either of the couples should be a primary school teachers, executives in financial consultancy firms, Customers Relation Executives of call centres, CAs, Property Dealers, Advertising Agency Executives, Computer hardware technicians, Sales staff, marketing staff who had been married for at least 5 years and having at least one child.

In the Indian context transition of gender inequality and gender roles deviate from traditional form to modern gender role expectations that have been observed to constitute cultural disparity that affect the work-family culture interface. The growing number of educated women employees in India in the urban, organized, industrial sector in technical, professional, and managerial positions has been accompanied by a steady growth in dual earner families.

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APPENDIX

QUESTIONNAIRE TO DETERMINE EMOTIONAL INTELLIGENCE & STRESS

Dear respondent, I purposed to do this survey to determine the extent of Emotional Intelligence levels of working couples. Whatever replies you provide will be used for counseling to develop satisfactory blissful family life. Hence I request you to provide replies accurately or nearby accuracy.

PART A (FAMILY BACKGROUND)

NAME:

GENDER:

AGE:

RELIGION:

SCHOOLING: URBAN/ RURAL:

MEDIUM OF EDUTAION: E/H

EDUCATION OF YOUR SPOUSE:

OCCUPATION:

EDUCATION OF YOUR FATHER:

OCCUPATION:

NO.OF WORKING HOURS:

NO. OF CHILDREN:

VEG/NON-VEG:

FAMILY: JOINT/ NUCLEAR

HOUSE: RENTED/ OWN

FACILITIES IN FAMILY: TV/VCP/VCR/TRANSISTOR/ COMPUTER/WI FI/CAR/A/C-PRINTER-FAX-MOBILE PHONE/COOKING GAS.\SOLAR LIGHTING
GADGETS/GEYSER/WASH MACHINE/MOPED/TWO WHEELER/ MOV-IMMOVBLE PROPERTY

PART-B (STATEMENTS)

In this part you will find 30 statements which will gauge your level of emotional intelligence. Under each statement there are seven options- (a) always (b) very frequently (c) frequently (d) Often (e) Rarely (f) Very Rarely (g) Never. You will have to write against each statement the alphabetic used: either a-b-c-d-e-f or g. Don't think much on each statement but whatever comes to your mind mark it which will be treated as "CONFIDENTIAL" and your contribution in the form of your responses will be of paramount importance to us and as such please cooperate and give your response.

1. I will break the rules at work if it will help me to achieve my goals.
2. Decisions I make are based on facts
3. It is easy for me to change other people's opinions
4. I give people ample time to express their views.
5. I put all my energy into works that I believe are important
6. Even when I feel bad, I easily find ways to come out of it.
7. If I am in bad mood, I am able to hide it.
8. I challenge unethical behavior whenever I meet it at home.
9. When making a decision, I ignore my feelings as they only confuse the issue.
10. In group, I prefer to let other people make the decisions.
11. I have enough of my own problems without spending time listening to other people's affairs.
12. Any obstacles I encounter are likely to prevent me from completing a Task
13. I lose confidence when my work is criticized
14. I recognize my own moods and make specific attempts to change them
15. I avoid distasteful tasks
16. I need to know other people's opinion before I make a final decision in a Group
17. I find it difficult to change friends' minds
18. I encourage my colleagues to work together as a team
19. I am not distracted from my long-term goals
20. Whenever I experience a setback, it takes me a long time to bounce back
21. I feel out of control emotionally
22. I will not do something if I know it is wrong
23. I work on the principle that it is better to be safe than sorry
24. When other people's views are different from mine, I Do not consciously attempt to influence them.
25. I take my friend's opinion to win a team game
26. I strive to produce ever better results in my work
27. When under pressure, I become irritable
28. It is possible to control my own feelings
29. In group, I ensure that what I say and what I do are the same
30. I like to think all the pros and cons before making a decision

SOCIO-ECONOMIC CONDITIONS OF WOMEN WORKERS IN SOME SELECTED BRICK KILNS IN WEST BENGAL: AN EMPIRICAL STUDY WITH SPECIAL REFERENCE TO NADIA DISTRICT

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ABSTRACT

Brick Industry is one of the informal/unorganized industries in India. This industry is booming with the expansion of real estate business. It is a labour intensive industry. The industry employs millions of workers. Sizable portions of the workers are women. They live in poverty. At work place, they are exploited, deprived and do not get the status which the men workers enjoy. There are varied natures of problems the women workers are facing now. Their socio-economic conditions cause concerns. In this backdrop, an attempt has been made to ascertain and examine the socio-economic conditions of women workers engaged in brick kiln factories. The data collected in this regard have been interpreted through percentage analysis. The entire gamut of discussion reveals that women workers live in poverty and as a consequence they come to work in brick kilns. They and their children are mostly illiterate. Most of them are migrants and their land holdings are minimal. Their annual incomes are very small. They are not given the scope of doing skilled work. Very often they express dissatisfaction on working environments. Working environment needs to be improved so that workingwomen get motivated and enthused that may result in development of the kilns. Statutory benefits need to be given for their welfare.

KEYWORDS

Brick, Migrant, Real Estate Business, Statutory Benefits, and Unorganized Industry.

INTRODUCTION

Workers are one of the pillars of each and every industry. Needless to mention that a well-clad, well-fed and satisfied, contented worker is an asset to any industry. So the owners of the industries need to pay attention towards the development of the workers engaged in the industries. Known to all that a large numbers of women workers are engaged in industries. The brick industry is not an exceptional one. Women constitute a large part of the Indian population. They play a very important role in developing Indian economy. Their contribution to the society cannot be gainsaid. They are the pillars of the families. They hold the main key in maintaining their families. They sacrifice their valuable time in bringing up their siblings. They are rendering their services in different ways. They are also working in brick kilns for the maintenance of their families.

REVIEW OF LITERATURE

Pallab Kanti Ghosh (2008) in his book "Prospects and Problems of Brick Industry" dealt with product and productivity, marketing, financial analysis, work force of the brick industry. Amal Mandal (2005) in his book "Women Workers in Brick Factory" undertook a study of ascertaining socio-economic profile of women workers along with workforce participation, gender discrimination, work and workers of brick factory etc. The focus of the study is confined to the women workers of brick factories in one subdivision of Cooch Behar district of West Bengal. Saran & Sandhwar (1990) in their book "Problems of Women Workers in Unorganized Sectors" concentrated their attention on social and economic life of the women workers, working conditions, wage structure, methods of wage payment and earnings of their workers and problems of working women also. Aggarwal (1959) in his book "Socio-economic Conditions of Brick Kiln workers in the Gazipur Village" describes that the working condition of the workers of brick industry in India is far from satisfactory. The article titled "Conditions of Brick Workers in South Indian Village" written by A. Dharmalingam was published in Economic and Political Weekly on 25th November 1995.

NEED OF THE STUDY

Women work in brick kilns for the maintenance of their families. In order to maintain their families, maintainable earnings should be provided. Conducive working environment, healthy industrial relations, welfare facilities etc need to be extended to the workingwomen. The non-existence of the above factors may hamper the sound industrial relation, demotivate the workers, create job dissatisfaction, increase labour turnover and absenteeism. No denying the fact that good, favourable socio-economic condition of the workers may act as a booster, which in turn may establish congenial industrial relations. In this backdrop, an attempt has been made to find out the socio-economic conditions of the women workers engaged in the selected brick kiln factories.

STATEMENT OF THE PROBLEM

The statement of the problem is "Socio-Economic Conditions of Women Workers in Some Selected Brick Kilns in West Bengal: An Empirical Study with special reference to Nadia District".

OBJECTIVES OF THE STUDY

1. To discuss about the Brick Industry in West Bengal;
2. To ascertain and examine the socio-economic conditions of women workers engaged in some selected brick kiln factories;
3. To make concluding remarks.

METHODOLOGY

The article titled "Socio-Economic Conditions of Women Workers in some selected Brick Kilns in West Bengal: An Empirical Study with special reference to Nadia District" has been based on primary and secondary sources of data. Primary data/information have been collected through interview with the owners and women workers of the sampled brick kilns. These apart, related books, journals, newspapers, Report of Brick Association and also different websites have been consulted to make the study an effective one. The period of study is confined to two years i.e. 2010 and 2011. Percentage analysis has been used for interpretation of the data collected from field survey.

ABOUT BRICK INDUSTRY IN WEST BENGAL

Brick making is a traditional industry of West Bengal. Brick is as old as civilization itself. It dates back to ancient Mesopotamia around 500 BC. The archeological ruins of Mohenjo-Daro and Harappa which date back over 4000 years indicate that brick making was well developed in India in ancient times. The silted topography of the region (West Bengal) is uniquely suited for making bricks. In the past the riverine delta region of South Bengal provided quality-soil as a cheap source of raw material and the in-land canals functioned as the mode of low-cost and easily accessible local transport. The hinterland of Kolkata – the districts of Howrah, Hooghly, North and South 24 Parganas – thus became suitable locations for brickfields, as the city grew in size. In West Bengal, around 3500 brick-manufacturing units provide employment (officially) to more than 0.7 million people from the rural agricultural sector. Brick industry creates 50 jobs against an

investment of 0.1 million rupees compared to 7 jobs in other small-scale industries and 2 jobs in large-scale industries. Most of the workers engaged in brick industry are migrants and they are casually engaged. The brickfields in Bengal have been set up for nearly two centuries now. Since the beginning of the colonial period in Bengal, the structure of Fort Williams, representing the power and might of the British army and many other structures of significance were erected from bricks. Brick production is a seasonal activity. The seasonal migrant worker living in the brickfields throughout the period of 6 to 8 months of production, returns back to the village after the production season comes to a close. The brickfields, known as the it-khola, are open cast and work continues from 6 a.m. in the morning to 6 p.m. in the evening. The whole process of brick making is split into a number of tasks performed sequentially in different locations within the brickfields spread over 7 to 12 bighas (2.5 to 4 acres) of land. The workers engaged in brickfields in West Bengal are: Pathera (those who mould bricks), Mati-kata labour (the earth diggers), Taboya (the bearers of mud-filled baskets), Reja (those who carry bricks to the furnace), Bujhai mistri (the workers who arrange bricks in a particular fashion in the furnace), Mati-phulla (the workers who bring prepared soil to the reja for moulding), Bail hakka (the workers who drive bullocks round the mills for grinding soil), and Muh-katta (the workers who collect mixed soil from the open end of the mill).

SOCIO-ECONOMIC CONDITIONS OF WOMEN WORKERS ENGAGED IN SOME SELECTED BRICK FACTORIES IN NADIA DISTRICT: RESULTS AND DISCUSSION

The study concentrates on the socio-economic conditions of the women workers engaged in 30 brick kilns situated in Nadia district of West Bengal. Total sampled women workers numbering 90 were randomly interviewed out of 908 workingwomen. Side by side 30 brick kiln owners were asked to elicit some information and views on brick kiln matters and socio-economic conditions of the workingwomen engaged in those kilns. The women workers who were interviewed and their working places are shown below (Table-1):

TABLE-1: SHOWING NUMBER OF SAMPLED BRICK KILNS, TOTAL WOMEN WORKERS AND RESPONDENTS

Location	Total Sampled Brick Kilns	Total Women Workers	Respondents (In number)
Dhubulia	06	252	25
Krishnagar	04	114	11
Nakashipara	10	265	26
Badkulla	03	82	08
Santipur	01	25	03
Majdia	01	19	02
Chapra	05	151	15
Total	30	908	90

Source: Field Survey

In order to have an idea about socio-economic conditions of women workers engaged in brick kilns, some factors like religion, ethnic composition, marital status, age at marriage and many other things have been taken into consideration. These factors are discussed below:

A. SOCIO CONDITIONS OF WOMEN WORKERS

Religions of women workers in the sampled brick kilns are shown in Table-2.

TABLE-2: RELIGION OF WOMEN WORKERS IN THE BRICK KILNS OF NADIA DISTRICT

Area	Religion				Total
	Hindu	Muslim	Christian	Others	
Dhubulia	17	06	01	01	25
Krishnagar	08	02	-	01	11
Nakashipara	16	07	01	02	26
Badkulla	06	02	-	-	08
Santipur	02	01	-	-	03
Majdia	01	01	-	-	02
Chapra	09	04	01	01	15
Total	59(66%)	23(26%)	03(3%)	05(5%)	90

Source: Field Survey.

The analysis of the data obtained from Table-2 reveals that 66% of the sampled women workers belonging to 30 brick kilns are Hindu. 26%, 3% and 5% of the sampled workingwomen are Muslim, Christian and others respectively.

The ethnic composition of the women workers of selected brick kilns is shown in Table-3.

TABLE-3: ETHNIC COMPOSITION OF THE SELECTED WOMEN WORKERS IN THE SAMPLED BRICK KILNS OF NADIA DISTRICT

Area	Ethnic Composition					Total
	SC	ST	Upper Hindu Caste	Backward Classes	Others	
Dhubulia	03	13	-	08	01	25
Krishnagar	03	05	-	03	-	11
Nakashipara	05	12	01	05	03	26
Badkulla	-	04	02	02	-	08
Santipur	01	01	-	-	01	03
Majdia	-	02	-	-	-	02
Chapra	02	08	-	05	-	15
Total	14(16%)	45(50%)	03(3%)	23(25%)	05(6%)	90

Source: Field Survey.

From the analysis of the above Table-3, it is clear that a majority of women workers (50%) belong to Scheduled Tribe category. 16%, 3%, 25% and 6% of the sampled women workers belong to SC, Upper Hindu caste, backward classes and others respectively.

The marital status of the women workers engaged in the sampled brick kilns is shown in Table-4.

TABLE - 4: MARITAL STATUS OF THE TARGETED WOMEN WORKERS IN THE SAMPLED BRICK KILNS OF NADIA DISTRICT

Area	Marital Status				Total
	Unmarried	Married	Widow	Divorced	
Dhubulia	03	16	04	02	25
Krishnagar	01	08	01	01	11
Nakashipara	03	14	05	04	26
Badkulla	01	04	01	02	08
Santipur	-	02	-	01	03
Majdia	-	01	01	-	02
Chapra	01	06	03	05	15
Total	09(10%)	51(57%)	15(17%)	15(16%)	90

Source: Field Survey

It is evident from the above Table-4 that 10% of the women workers are unmarried. 57%, 17% and 16% of the workingwomen are married, widow and divorced respectively.

Table-5 shows the age at marriage of women workers engaged in sampled brick kilns in Nadia district of West Bengal.

TABLE - 5: AGE AT MARRIAGE OF SAMPLED WOMEN WORKERS

Area	Age Group (Year)			Total
	Up to 16	16-19	19 & Above	
Dhubulia	11	08	03	22
Krishnagar	01	08	01	10
Nakashipara	14	06	03	23
Badkulla	05	01	01	07
Santipur	02	01	-	03
Majdia	02	-	-	02
Chapra	08	04	02	14
Total	43(53%)	28(35%)	10(12%)	81

Source: Field Survey

Out of 90 sampled women workers, 9 women workers are unmarried. So the rest i.e. 81 women workers are either married or widow or divorced. It can be said that, at one point of time, 81 workers were married. Out of 81 women workers, 53% got married within the age of 16 years. 35% and 12% got married in the age group of 16-19 years and 19 & above years respectively (as shown in Table-5).

Table-6 exhibits the number of children of children of sampled women workers.

TABLE - 6: NUMBER OF CHILDREN OF EACH WOMAN WORKER AMONGST THE SAMPLE

Area	Number of Child					Number of women workers (Excluding unmarried women workers)
	Nil	One	Two	Three	Four & More	
Dhubulia	-	05	14	03	-	22
Krishnagar	-	-	08	02	-	10
Nakashipara	-	02	12	07	02	23
Badkulla	-	01	04	02	-	07
Santipur	-	01	01	01	-	03
Majdia	-	-	01	01	-	02
Chapra	-	02	09	03	-	14
Total	-	11(14%)	49(60%)	19(23%)	02(3%)	81

Source: Field Survey

Table-6 manifests that 60% of the workingwomen have 2 children each. 14%, 23% and 3% of the women labour force have one, three and four & more children each. Total number of sampled women workers is 90. Here 9 women workers have not been taken into consideration, as they were unmarried.

TABLE - 7: FAMILY SIZE OF THE SAMPLED WOMEN WORKERS IN THE BRICK KILNS OF NADIA DISTRICT

Area	Number of Family Members				Total
	1-3	4-6	7-9	10 & Above	
Dhubulia	06	15	04	-	25
Krishnagar	03	06	-	02	11
Nakashipara	12	13	01	-	26
Badkulla	03	02	02	01	08
Santipur	01	02	-	-	03
Majdia	01	01	-	-	02
Chapra	06	07	02	-	15
Total	32(36%)	46(51%)	09(10%)	03(3%)	90

Source: Field Survey

Table-7 shows the family size of the women workers in the brick kilns of Nadia district. The analysis of the above Table reveals that 51% of the women workers of the selected brick kilns have the family size ranging from 4 to 6 each. 36% of the women workers have the family members ranging from 1 to 3. Nine women workers out of 90 have the family size ranging from 7 to 9 members each. There are only 3 families that have more than 10 members each.

Educational attainment of the women workers is displayed in Table-8.

TABLE - 8: EDUCATIONAL ATTAINMENT OF THE SAMPLED WOMEN WORKERS IN THE BRICK KILNS OF NADIA DISTRICT

Area	Level of Education				Total
	Illiterate	Just Literate	Class I-III	Class III & More	
Dhubulia	19	03	02	01	25
Krishnagar	09	-	02	-	11
Nakashipara	21	03	01	01	26
Badkulla	06	01	01	-	08
Santipur	01	01	-	01	03
Majdia	01	-	01	-	02
Chapra	09	04	01	01	15
Total	66(74%)	12(13%)	08(9%)	04(4%)	90(100%)

Source: Field Survey

The analysis of the above Table-8 manifests that 74% of the women workers engaged in the brick kilns under study are illiterate. Only 13% of the women workers are just literate. 9% and 4% of the workingwomen have studied up to Class III and Class III & more respectively.

Table-9 shows the educational attainment of the children of the women workers in the brick kilns of Nadia district.

TABLE - 9: EDUCATIONAL ATTAINMENT OF THE CHILDREN OF THE SAMPLED WOMEN WORKERS IN THE BRICK KILNS OF NADIA DISTRICT

Area	Level of Education			Total
	No Education	Class I-III	Class III & More	
Dhubulia	13	07	02	22
Krishnagar	05	03	02	10
Nakashipara	13	07	03	23
Badkulla	05	01	01	07
Santipur	01	01	01	03
Majdia	-	01	01	02
Chapra	09	03	02	14
Total	46(57%)	23(28%)	12(15%)	81

Source: Field Survey

The children of 57% women workers do not have any education at all as displayed in Table 9. The children of 28% women workers have attained formal education (from Class I to Class III) and only the children of 15% women workers have been able to get education of Class III and more.

B. ECONOMIC CONDITION OF WOMEN WORKERS

TABLE - 10: MIGRATION AMONG THE SAMPLED WOMEN WORKERS IN THE BRICK KILNS OF NADIA DISTRICT

Area	Migrants				Local	Grand Total
	Same District	Other Districts Of the State	Other States	Total		
Dhubulia	03	04	16	23	02	25
Krishnagar	02	01	06	09	02	11
Nakashipara	-	05	17	22	04	26
Badkulla	01	01	05	07	01	08
Santipur	-	01	02	03	-	03
Majdia	01	-	01	02	-	02
Chapra	01	04	09	14	01	15
Total	08(10%)	16(20%)	56(70%)	80	10	90

Source: Field Survey

Our survey, as depicted in Table-10, indicates that out of 90 women workers, 80 women workers come from same district, other districts of the same State and other states. 70% of the 80 migrants come from other States like Bihar, Jharkhand etc. Only 10 women workers come daily from the nearby villages to do the work in the brick kilns.

Table-11 records the responses of women workers with regard to the earning members of their families.

TABLE - 11: EARNING MEMBERS IN THE FAMILY OF THE WOMEN WORKERS IN THE BRICK KILNS OF NADIA DISTRICT

Area	Number of Working Members in the Family						Total	Number of Working Members
	1	2	3	4	5	6		
Dhubulia	03	04	14	03	-	01	25	71
Krishnagar	01	02	05	03	-	-	11	32
Nakashipara	03	03	06	13	-	01	26	85
Badkulla	01	02	04	01	-	-	08	21
Santipur	-	-	01	02	-	-	03	11
Majdia	-	-	01	01	-	-	02	07
Chapra	01	03	05	04	-	02	15	50
Total	09 (10%)	14 (16%)	36 (40%)	27 (30%)	-	04 (4%)	90	277

Source: Field Survey

A perusal of the above Table-11 indicates that in 36 and 27 families, there are 3 and 4 working members respectively per family. 14 families of women workers have 2 working members each. 9 families and 4 families have 1 and 6 working members each. These all help the families of women workers to earn their livelihood. A further analysis of the above Table-11 shows that there are altogether 277 working members in women workers' families who are engaged in economic activities.

Table-12 shows the annual family income of the women workers in the brick kilns of Nadia district.

TABLE-12: ANNUAL FAMILY INCOME OF THE WOMEN WORKERS IN THE BRICK KILNS OF NADIA DISTRICT

Area	Family Income (Annual) (Rs.)					Total
	10000	10000-15000	15000-20000	20000-25000	25000 & Above	
Dhubulia	-	-	-	02	23	25
Krishnagar	-	-	-	02	09	11
Nakashipara	-	-	-	05	21	26
Badkulla	-	-	-	02	06	08
Santipur	-	-	-	01	02	03
Majdia	-	-	-	01	01	02
Chapra	-	-	-	04	11	15
Total	-	-	-	17(19%)	73(81%)	90

Source: Field Survey

From Table-12, it comes to our notice that the annual family income of 19% of the sampled women workers attached to the brick kilns under study lie between Rs.20000 and 25000. 81% of the interviewed women workers earn annually between Rs.25000 and above. As the workers are engaged in brick kilns for 6 or 7 months, so the annual income has been calculated on 6/7 months work, not for 12 month's work.

Table-13 records the sources of family income (Other than brick kilns) of the interviewed women workers in the brick kilns of Nadia district.

TABLE - 13: SOURCES OF FAMILY INCOME (OTHER THAN BRICK KILNS) OF THE WOMEN WORKERS IN THE BRICK KILNS OF NADIA DISTRICT

Area	Sources of Family Income (other than Brick Kilns)							Total
	Agriculture	Agriculture Labour	Labour	Small Trade	Maid	Any Work	No work	
Dhubulia	09	11	02	-	02	01	-	25
Krishnagar	04	03	02	-	01	-	01	11
Nakashipara	12	10	04	-	-	-	-	26
Badkulla	03	03	02	-	-	-	-	08
Santipur	02	01	-	-	-	-	-	03
Majdia	01	-	01	-	-	-	-	02
Chapra	09	04	02	-	-	-	-	15
Total	4 (44%)	32 (36%)	13 (15%)	-	03 (3%)	01 (1%)	01 (1%)	90

Source: Field Survey

Our survey, as portrayed in Table-13, reveals that agriculture and agriculture labour are the major sources of livelihood of the family members of the women workers in the brick kilns. They are engaged in those activities to maintain the one square meal. They are to depend on other activities, as the brick kilns remain operative for 6 to 7 months in each year. So all the workers cannot depend solely on the work of brick kilns round the year. During the remaining part of the year, they engage themselves either in agricultural activities or as maid, agricultural labourer etc.

Table-14 records land held by the women workers engaged in the brick kilns under study.

TABLE - 14: LAND HOLDINGS OF THE SAMPLED WOMEN WORKERS IN THE BRICK KILNS OF NADIA DISTRICT

Area	Land Holdings of Women Workers (Holding Size in Bigha)			Total
	No Land	01-02	02 & More	
Dhubulia	16	08	01	25
Krishnagar	07	04	-	11
Nakashipara	14	09	03	26
Badkulla	05	03	-	08
Santipur	01	01	01	03
Majdia	01	01	-	02
Chapra	06	05	04	15
Total	50(56%)	31(34%)	09(10%)	90

Source: Field Survey

A perusal of Table-14 indicates that 56% of the interviewed women workers have no land at all. 34% women workers have 1 to 2-bigha lands. 10% of the women workers have more than 2 bigha lands.

Responses of women workers with regard to indebtedness among the women workers of the sampled brick kilns are shown in Table-15.

TABLE - 15: INDEBTEDNESS AMONG THE WOMEN WORKERS IN THE BRICK KILNS OF NADIA DISTRICT

Area	Indebtedness to					Total
	Mahajan	Bank/Other Government Agencies	Relatives and Friends	Brick Kiln Owners	No Indebtedness	
Dhubulia	07	-	-	18	-	25
Krishnagar	02	-	01	08	-	11
Nakashipara	02	-	05	19	-	26
Badkulla	02	-	01	05	-	08
Santipur	01	-	-	02	-	03
Majdia	-	-	01	01	-	02
Chapra	01	-	03	10	01	15
Total	15(17%)	-	11(12%)	63(70%)	01(1%)	90

Source: Field Survey

Looking at the Table-15, it is clear that 70% of the women workers are indebted to the brick kiln owners. Only 17% are indebted to Mahajan. 11 out of 90 women workers borrowed money from Relatives and Friends to meet the expenses connected with marriage, funeral, and other unforeseen circumstances.

Types of houses the women workers possess are shown in Table-16.

TABLE - 16: TYPES OF HOUSES OF THE SAMPLED WOMEN WORKERS

Area	Types of Houses		Total
	Kuchha	Pucca	
Dhubulia	23	02	25
Krishnagar	11	-	11
Nakashipara	25	01	26
Badkulla	08	-	08
Santipur	03	-	03
Majdia	02	-	02
Chapra	15	-	15
Total	87(97%)	03(3%)	90

Source: Field Survey

N.B. Kuchha House: House made of mud and Pucca House: House built by bricks

As is evident from Table-16, an overwhelmingly majority of women workers (97%) lives in kuchha houses. Only 3% of the women workers have pucca houses.

C. WORKING CONDITIONS OF WOMEN WORKERS

Table-17 gives us the responses of women workers regarding the years of engagement of women in brick kilns.

TABLE - 17: YEARS OF ENGAGEMENT OF WOMEN IN BRICK KILNS

Area	Years of Engagement					Total
	1-3	3-5	5-7	7-9	9 & Above	
Dhubulia	05	02	03	12	03	25
Krishnagar	02	-	02	-	07	11
Nakashipara	01	-	02	15	08	26
Badkulla	-	02	-	02	04	08
Santipur	-	-	-	02	01	03
Majdia	-	-	01	01	-	02
Chapra	00	02	05	06	02	15
Total	08(9%)	06(7%)	13(14%)	38(42%)	25(28%)	90

Source: Field Survey

We find in Table-17 that 38 out of 90 women workers have been working 7 to 9 years in brick kilns. 25 women workers are working nine or more years in the brick kilns. 14 sampled women workers are working in the brick kilns one to five years.

Reasons for doing brick factory works by the women are exhibited in Table-18.

TABLE - 18: REASONS FOR DOING BRICK FACTORY WORKS BY WOMEN

Area	Reasons						Total
	Agriculture work not available all time	For more earning	For no other available employment	For 6 months work at a time	For Poverty	No use by sitting idle	
Dhubulia	01	05	01	-	18	-	25
Krishnagar	-	03	01	-	06	01	11
Nakashipara	-	06	-	01	17	02	26
Badkulla	01	02	-	-	05	-	08
Santipur	-	01	-	-	02	-	03
Majdia	-	01	-	-	01	-	02
Chapra	01	03	-	04	07	-	15
Total	03 (3%)	21 (23%)	02 (2%)	05 (6%)	56 (62%)	03 (4%)	90

Source: Field Survey

The analysis of the above Table-18 reveals that 62% of the sampled women workers work in the brick kilns because of poverty. 23% of the women workers engaged themselves for more earning. Meagre percentage of working women choose to do the brick kiln work because of non-availability of agricultural work, opportunity of doing the work for 6/7 months in a year etc.

Table-19 shows the types of occupation of women before joining brick kiln works.

TABLE - 19: TYPES OF OCCUPATION OF WOMEN BEFORE JOINING BRICK KILN WORKS

Area	Types of Occupation							Total
	Labour	Agricultural Labour	Cultivator in own land	Maid	Any Other	Factory work from the start	No work Earlier	
Dhubulia	07	06	04	01	04	-	03	25
Krishnagar	-	03	-	01	02	04	01	11
Nakashipara	03	12	03	-	03	05	-	26
Badkulla	-	02	-	-	03	02	01	08
Santipur	-	02	01	-	-	-	-	03
Majdia	-	01	-	-	-	01	-	02
Chapra	03	06	01	02	02	-	01	15
Total	13 (14%)	32 (36%)	09 (10%)	04 (4%)	14 (16%)	12 (13%)	06 (7%)	90

Source: Field Survey

The scan of the above Table-19 shows that 32 of the 90 women workers were engaged in agriculture as agriculture labourer and 13 women workers were engaged simply as labourer. Only 9 sampled women workers get themselves engaged in cultivating their own land. Others were involved either in any other activities or in factory work from the start. 6 women workers did not do any work before joining brick kiln.

Types of brick kiln works for women are shown in Table-20.

TABLE-20: TYPES OF BRICK KILN WORKS DONE BY WOMEN WORKERS

Area	Types of works			Total
	Brick making	Brick Carrying	Others	
Dhubulia	08	14	03	25
Krishnagar	03	06	02	11
Nakashipara	08	15	03	26
Badkulla	03	03	02	08
Santipur	01	01	01	03
Majdia	01	01	-	02
Chapra	07	05	03	15
Total	31(34%)	45(50%)	14(16%)	90

Source: Field Survey

From the above Table-20, it appears that 50% of the sampled women workers were engaged in brick carrying activities followed by brick making (34%) and other activities (16%).

Table-21 records the responses of the respondents about the types of demand of women workers to brick kiln owners.

TABLE - 21: TYPES OF DEMAND OF WOMEN WORKERS TO BRICK KILN OWNER

Area	Types of Demand						Total
	Wage Hike	Job Security	Social Security	Bonus & Advance	Clothing & Fuel	No demand at all	
Dhubulia	20	01	-	03	01	-	25
Krishnagar	06	-	-	04	01	-	11
Nakashipara	19	02	-	03	02	-	26
Badkulla	05	01	-	01	01	-	08
Santipur	02	-	-	01	-	-	03
Majdia	02	-	-	02	01	-	02
Chapra	12	-	-	-	-	-	15
Total	66 (73%)	04 (4%)	-	14 (16%)	06 (7%)	-	90

Source: Field Survey

Table-21 clearly indicates that 73% of the total sampled women workers clamoured for hike in wages as the hike in wages may help them maintain their families. Only 16% of 90 women workers demanded for bonus and advance that would meet the festival expenses. 4 out of 90 sampled women workers opined with regard to job security. 7% of the workingwomen demanded for clothing and fuel.

FINDINGS AND CONCLUDING OBSERVATIONS

Women workers come from Hindu, Muslim and Christian families to do in the brick kilns. Most of the women workers belong to scheduled tribe community. A large amount of married women are engaged in brick kiln activities. The women workers engaged in the brick fields got married at the age of 16 years. An overwhelming majority of the women workers and their children are illiterate. Migrant workers are large in number. Family sizes of them are large. Annual family incomes of the workingwomen are not adequate to maintain for their livelihood.

When the brick kiln works are not available, they engage themselves in other activities like agriculture and other works. Land holdings of them are very much minimal. Most of the workers live in kachha houses. Women workers work in the kilns due to severe poverty. They are involved in brick carrying and brick making activities. Majority of the women workers clamour for wage hike as the wage they earn is not sufficient to feed the members of their families. Workingwomen generally take advance from brick kiln owners.

RECOMMENDATIONS/SUGGESTIONS

Nation develops if the women are developed. So it is the first and foremost duty of our Government to pay attention for the well-being of the women community. A number of measures have been adopted by the Government for their welfare. But in some cases, women's interest is not protected. In case of brick industry, they live in the thatched huts close to kiln, which generally do not have electricity. The electricity should be provided in those huts by the owners of the brick kilns. Separate rest room should be arranged for the women workers engaged in the brick kilns. There should have a separate neat and clean toilet for the women workers. The eligible women workers should be given maternity benefit. Very often, some of the brick kiln owners do the little care for the same. In order to provide the maternity benefits to the women workers of the brick kilns, necessary amendments are required in the Maternity Benefit Act. Adult education programme for the women workers of the brick kilns should be implemented for making them literate. Exhaustive and comprehensive legislation is urgently needed for regulating working conditions, wage structure, welfare measures of the women workers in the brick kilns. The Labour Department should come forward to prevent physical-mental torture, sexual harassment and molestation of the workingwomen engaged in the brick kiln factories. For this, the Department should introduce special wing that can supervise the matter and take necessary action against the wrongdoers. Voluntary organizations of eminent personalities of the region (where brick kilns are situated) should be involved to see whether the different provisions and welfare measures are being strictly implemented. It is necessary to enforce the "Inter-State Migrant Workmen Act" and "Contact Labour Act" to check the bungling in the recruitment procedure and working condition. The parents of the women workers married at early stage should be aware of the fact that early marriage invites a lot of problems. Such workers are affected mentally and physically. So Government as well as NGO should make an awareness programme that will discuss about the ill effects of early marriage. The co-operation of brick kiln owners is urgently needed in this regard. Workers live in poverty. In order to alleviate poverty, they should be informed about different poverty alleviation programmes adopted by the Government from time to time. Due to lack of information and ignorance, they suffer from poverty.

SCOPE FOR FURTHER RESEARCH

There are many scopes for further research work on "Brick Industry". The researcher may do the research work on:

1. " Socio-economic conditions of women workers in Brick Kilns in Bangladesh and India": A Comparative Study
2. Working Conditions of Brick Kilns in India: A Case Study of West Bengal
3. Labour Welfare in Brick Kiln Fields in India: A Study
4. Brick Industry and Environment Pollution: A Study
5. Problems and Prospects of Real Estate Sector in India: A Study in the light of Brick Industry.

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TATA INDICA: NEW PRODUCT LAUNCH-OPERATIONAL ISSUES-MARKETING STRATEGIES

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ABSTRACT

Tata Motors Limited is India's largest automobile company, with consolidated revenues of INR 123133¹ crores (USD 27 billion) in 2010-11. The company is the world's fourth largest truck manufacturer, and the world's third largest bus manufacturer. It is the first company from India's engineering sector to be listed in the New York Stock Exchange (September 2004). Over the years, it has emerged as an international automobile company and has prominent presence in abroad. Its product portfolio comprised of famous brands like Tata Sumo/Spacio, Tata Sumo Grande, Tata Safari, Tata Indica, Tata Vista, Tata Indigo, Tata Manza, Tata Indigo Marina, Tata Winger, Tata Magic, Tata Nano, Tata Xenon XT, Tata Aria, Tata Venture and Tata Iris. To compete in the small car segment against Maruti 800, Tata launched Tata Indica in 1998. The case captures the operational issues during the launch of Tata Indica; its marketing strategies and how the brand Indica has evolved over the years.

KEYWORDS

automobile industry, Tata Indica.

**PEDAGOGICAL OBJECTIVES**

- To understand the Tata Motor's strategy of handling different operational issues during the launch of Tata Indica.
- To understand the market strategies of Tata Motors in creating a brand value for Tata Indica and its demonstration of effective product life cycle for Indica.

The case study helps to understand and analyse the following

- The importance of vendor base management and advantages of effective supply chain management in the launch of the new product.
- To comprehend the marketing strategies for Tata Indica and acknowledge its effective measures for improving the product life cycle for Tata Indica

CASE STUDY

"At Tatas, we believe that if we are not among the top three in an industry, we should look seriously at what it would take to become one of the top three players or think about exiting the industry"

- **Ratan Tata**, Chairman – Tata Groups

INTRODUCTION

Ratan Tata of Telco² on 30th December, 1998 realized his dream when he introduced the India's first fully indigenous car, called Tata Indica that transformed the automobile industry in the small car segment. Within two years of launch, Tata Indica became India's largest selling car in its segment. The success of TATA Indica can be mainly attributed to the Operations Management. With the help of effective Supply Chain Management, the company improved the disparate areas of organization like marketing, finance and inventory management. The launch of TATA Indica has made the transformations in the cost, quality, delivery, performance flexibility and innovativeness of the product in many aspects. The success of Indica can also be attributed to its low cost, good quality product services and effective marketing strategies. Indica, the brand has evolved and has transformed over the years. It is the value proposition which the Indica offers that has lead to the success of TATA Indica both nationally and internationally.

INDIAN AUTOMOBILE INDUSTRY

The Indian Automobile Industry is manufacturing over 11 million vehicles and exporting about 1.5 million every year. The dominant products of the industry are two wheelers with a market share of over 75% and passenger cars with a market share of about 16%. Commercial vehicles and three wheelers share about 9% of the market between them. About 91% of the vehicles sold are used by households and only about 9% for commercial purposes. **(Annexure 1)**. The industry has attained a turnover of more than USD 35 billion and provides direct and indirect employment to over 13 million people. **(Annexure 2)** India's passenger car and commercial vehicle manufacturing industry is the seventh largest in the world, with an annual production of more than 3.7 million units in 2010. According to recent reports, India is set to overtake Brazil to become the sixth largest passenger vehicle producer in the world, growing 16-18 per cent to sell around four million units in the course of 2011-12. In 2009, India emerged as Asia's fourth largest exporter of passenger cars. According to the Society

¹ <http://www.tatamotors.com/know-us/company-profile.php>

² TATA Motors previously called Telco

³ <http://www.icmrindia.org/casestudies/catalogue/Operations/Tata%20Indica-Making%20of%20the%20Small%20Car-Operations%20Case%20Study.htm>

of Indian Automobile Manufacturers, annual car sales are projected to increase up to 5 million vehicles by 2015 and more than 9 million by 2020. By 2050, India is expected to top the world in sales of car volumes with approximately 611 million vehicles applying on the nation's roads. **(Annexure 3)**

De-licensing³ in 1991 has put the Indian automobile industry on a new growth track, attracting foreign auto giants to set up their production facilities in the country to take advantage of various benefits it offers. The Indian auto component industry recorded its highest year-on-year (y-o-y) growth of 34.2 per cent in 2010-11, making in revenue of US\$ 39.9 billion; major contribution coming from exports at US\$ 5 billion and fresh investment from the US at around US\$ 2 billion. The other reasons attracting global auto manufacturers to India are the country's large middle class population, growing incomes, strong technological capability and availability of trained manpower at competitive prices⁴. **(Annexure 4)**

Due to this large contribution of the industry in the national economy, the Indian government lifted the requirement of forging joint ventures for foreign companies, which attracted global players to the Indian market to establish their plants, resulting in heightened automobile production⁵.

The majority of India's car manufacturing industry hub is based around three clusters of south, west and north. The southern cluster near Chennai is the biggest with 35% of the revenue share, followed by the west comprising of Maharashtra at 33% and the north cluster comprising mainly of Haryana with 32%. Chennai is also referred to as the "Detroit of India"⁶ with the India operations of Ford, Hyundai, Renault and Nissan headquartered in the city and BMW having an assembly plant on the outskirts. Chennai accounts for 60 per cent of the country's automotive exports. Gurgaon and Manesar in Haryana form the northern cluster where the country's largest car manufacturer, Maruti Suzuki⁷, is based. The Chakan corridor near Pune, Maharashtra is the western cluster with companies like General Motors, Volkswagen, Skoda, Mahindra and Mahindra, TATA Motors, Mercedes Benz, Land Rover, Fiat and Force Motors having assembly plants in the area. Aurangabad with Audi, Skoda and Volkswagen also forms part of the western cluster. Another emerging cluster is in the state of Gujarat with manufacturing facility of General Motors in Halol⁸ and further planned for TATA Nano⁹ at Sanand. Ford and Peugeot-Citroen plants are also set to come up in Gujarat. Kolkata with Hindustan Motors, Noida with Honda and Bangalore with Toyota are some of the other automotive manufacturing regions around the country. **(Annexure 5)**

TATA MOTORS LIMITED: AN OVERVIEW

TATA Motors¹⁰ Limited is an Indian multinational automotive corporation headquartered in Mumbai, India. With revenue of \$24.97 billion in 2011 and profit of \$1.88 billion in 2011, it has by far become the leader in commercial vehicles in each segment. It is also the second largest in the passenger vehicles market with winning products in the compact, midsize car and utility¹¹ vehicle segments. The company is the world's fifth largest medium and heavy commercial¹² vehicle manufacturer. Its products include passenger cars, trucks, vans and coaches. TATA Motors is South Asia's largest automobile company; it is the leader in commercial vehicles and among the top three in passenger vehicles. Worldwide it is the world's fourth-largest truck manufacturer and second-largest bus manufacturer. It has auto manufacturing and assembly plants in Jamshedpur, Pantnagar, Lucknow, Sanand, Dharwad and Pune, India, as well as in Argentina, South Africa, Thailand and the United Kingdom. TATA Motors has produced and sold over 4 million vehicles in India since 1954. In 2010, it surpassed Reliance to win the coveted title of '*India's most valuable brand*' in an annual survey conducted by Brand Finance and The Economic Times. TATA Motors is a dual-listed¹³ company traded on both the Bombay Stock Exchange and New York Stock Exchange.

It was established in 1945 as a manufacturer of locomotives, the company manufactured its first commercial vehicle in 1954 in collaboration with Daimler-Benz AG, which ended in 1969. TATA Motors' presence indeed cuts across the length and breadth of India. The company's manufacturing base is spread across Jamshedpur, Pune and Lucknow, supported by a nation-wide dealership, sales, services and spare parts network comprising over 2,000 touch points. It is estimated that close to 4 million TATA vehicles ply on Indian roads, since the first rolled out in 1954.

The foundation of the company's growth over the last 66 years has been a deep understanding of economic stimuli and customer needs, and the ability to translate them into customer-desired offerings through Research & Development (hereafter R&D). Established in 1966, the company's Engineering Research Centre, with 1,400 engineers and scientists, has developed pioneering technologies and products. Today the company has R&D centers in Pune, Jamshedpur, Lucknow, in India and globally it has R&D centers in South Korea, Spain, and UK. Besides product development, the R&D centers of the company are also focusing on environment-friendly technologies in emissions and alternative fuels.

Despite the success of its commercial vehicles, Ratan Tata realized his company had to diversify and he began to look at other products. Based on consumer demand, he decided that building a small car would be the most practical new venture. So in 1998 the company launched TATA Indica, India's first fully indigenous passenger car. Designed to be inexpensive and simple to build and maintain, the Indica became a hit in the Indian market. It was also exported to Europe, especially the UK. TATA acquired Spanish bus and coach manufacturer Hispano Carrocera¹⁴ in 2009.

Tata branded¹⁵ vehicles are present across several continents and their presence can be felt in Europe, Africa, the Middle East, Australia, South East Asia and South Asia. It is the first company from India's engineering sector to be listed in the New York Stock Exchange (September 2004). In 2006 it formed a joint venture with Marcopolo S.A.¹⁶ of Brazil, and introduced low-floor buses in the Indian Market under the name TATA Marcopolo Bus. Recently, it has acquired British Jaguar Land Rover¹⁷ (JLR), which includes the Daimler and Lanchester brand names. **(Annexure 6)** It has franchisee/joint venture assembly¹⁸ operations in Bangladesh, Ukraine, and Senegal.

After years of dominating the commercial vehicle market in India, TATA Motors entered the passenger vehicle market in 1991 by launching the TATA Sierra¹⁹, a multi utility vehicle. After the launch of three more vehicles, TATA Estate (1992, a station wagon design based on the earlier 'TATA Mobile' (1989), a light commercial vehicle), TATA Sumo (LCV, 1994) and TATA Safari (1998, India's first sports utility vehicle). TATA launched the Indica in 1998, the first fully indigenous passenger car of India. Though the car was initially panned by auto-analysts, the car's excellent fuel economy, powerful engine and aggressive marketing strategy made it one of the best selling cars in the history of the Indian automobile industry. A newer version of the car, named Indica V2, was a major improvement over the previous version and quickly became a mass-favorite.

In 2005, the company created a new segment by launching the TATA Ace, India's first indigenously developed mini-truck.

³ To deprive of a license or deregulate it

⁴ http://business.gov.in/Industry_services/automobile_industry.php

⁵ <http://www.oppapers.com/essays/Tata-Indica-Case-Study/717304>

⁶ Called as most of the Automobile Headquarters are there in Chennai

⁷ In future it plans to shift its operations to Mehsana in Gujarat

⁸ A city in Gujarat, India

⁹ Rs. 1 lakh car brought out by Tata which was high in sales

¹⁰ <http://www.tatamotors.com/products-services/passenger.php?ref=india>

¹¹ http://www.icrier.org/pdf/Working%20Paper%20201_final.pdf

¹² Heavy Vehicles: Commercial Trucks, that are large and powerful and can be configured to mount specialized equipment

¹³ A dual-listed company is a corporate structure in which two corporations function as a single operating business through a legal equalization agreement, but retain separate legal identities and stock exchange listings

¹⁴ TATA Hispano Motors Carrocera is one of the largest manufacturers of bus and coach cabins in Europe

¹⁵ <http://www.investopedia.com/features/industryhandbook/automobile.asp#axzz1e3GLu00>

¹⁶ Marcopolo S.A. is a bus manufacturer founded on August 6, 1949, in the southern Brazilian city

¹⁷ Jaguar Land Rover (informally JLR) is a British automotive company owned by TATA Motors of India. It sells vehicles under the Jaguar and Land Rover marques.

¹⁸ <http://www.tatamotors.com/known-us/company-profile.php>

¹⁹ TATA Sierra :it is a three door sport utility vehicle

TATA Motors already distributes and markets Fiat branded cars in India. For establishing an industrial joint venture in India and to manufacture passenger vehicles, engines and transmissions for the Indian and overseas markets, TATA Motors and the Fiat Group have recently signed a memorandum of understanding²⁰.

The company's commercial and passenger vehicles are already being marketed in several countries in Europe, Africa, the Middle East, Australia, South East Asia and South Asia. It has assembly operations in Malaysia, Kenya, Bangladesh, Ukraine, Russia and Senegal. These acquisitions will further extend TATA Motors' global footprint, established through exports since 1961.

PRODUCT: TATA INDICA

Advent OF TATA Indica During the latter half of the 1990's ,there was an increasing need for the car that had enough space to stretch our legs and that would not burn the pockets of the Indian middle class for the hunger of fuel. India needed a car that was not too big from the outside to traverse the crowded junctions but a car that was comfortable enough to park and that provides luxurious features such as the air conditioning at a penny's worth .One of the main criterion was also that the engine would have to be a powerful one to accommodate the weight of at least 5 passengers and also still pull the household weight that usually is part of an every outing in the Indian family. The stakes were high as there was not a car that could deliver all the above features²¹ and yet be so stylish enough to beat a Maruti 800 on a straight road²².

Considering the above scenario, Ratan TATA, the chairman of the Telco thought to produce a small car that will be priced like Maruti 800 and shape like a ZEN and spacious like Ambassador. In 1995, Telco announced to launch a small car called Indica. Telco was famous for producing commercial vehicles that's why they wanted to change their image.

To cater to the increasing demand for such a car, a 1.499 L Diesel engine was used that churned out a significant 70 bhp ²³horsepower, enough to dwarf its smaller rival .The INDICA roared its way to become one of the fastest selling cars in India. Though being a little costlier, the TATA motors capitalized on the Indian market by releasing a horde of Indica taxis that came at a cheaper rate. With an astounding mileage of almost 15 kmpl of Diesel, TATA motors had achieved the impossible. The Indica consolidated its market but the initial story of its booking still remains amazing. Within a week of its release in 1999, Indica recorded a jaw dropping 115000 bookings.²⁴ **(Annexure 7)**

CHALLENGES AND RESPONSES

There were numerous challenges that incurred during the whole process .However, TATA dealt with it significantly and came up with the reliable and effective solutions to overcome those problems.

VENDOR BASE MANAGEMENT

At the time of starting this project Telco had the big challenge whether, they should produce their components by own or they should outsource their components. Finally, they decided to outsource components and use their own engineers for modification, that's why they set up engineering research center at Pune in Maharashtra. For producing Indica Telco outsourced its 80% components from 200 vendors²⁵. (1200 of the 1500 plus components).Most of the parts that went to the production were produced locally. Except for some sheet metal parts, cylindrical gaskets and belts which accounted for 2% of the component value, the Indica was totally indigenous.

Telco provided a simple yardstick for selecting the suppliers; the ability to supply the components at a negotiated quality, cost and quantities. In the first stage of the development an initial assessment team from Telco evaluated the supplier .This was followed by self evaluation of the supplier, based on a format provided by Telco. Then there was a quality systems survey, carried out by a Telco Quality audit team. It applied a 13-step Quality Improvement Program, covering self evaluation through design validation and audit of supplier quality, Telco's target costing²⁶ was broken up into vendor wise cost targets and the suppliers had to carry out their own value engineering to lower cost and improve quality. For example, India Pistons which supplied the pistons and piston rings walked away with the Indica order because it benchmarked itself against suppliers to Maruti Udhog. **(Annexure 8)**

SUPPLY CHAIN MANAGEMENT

Supply chain management (SCM) is the management of a network of interconnected businesses involved in the ultimate provision of product and service packages required by end customers. The ultimate goal of any effective supply chain management system is to reduce inventory cost and provide their goods and services in a very effective way.

To keep its transaction costs low, there was an urgent need in the improvement of the goods and parts from one place to another. Telco configured its supply chain on a just in time²⁷ basis ,where in all high –value components were delivered daily and in the case of the nearby suppliers it was delivered twice a day. Vendors who were located far away from Pune set up local warehouses near the plant.

The rationale for the relocation was as follows

- Transportation cost alone accounted for 45% of the logistics costs for a company.
- Delays in supplies added to the costs in terms of machine down-time at the plant. Meanwhile, on the shop floor, where the assembly line was located, Telco had done away with the traditional store function.
- There was no material store in the Pune plant of Telco.

Telco had efficient supply chain management because they wanted to provide their product and services immediately to their clients and customers. This also helped them in reducing the cost of their logistics. TATA made a joint venture with the manufacturers and the transporters for improving their supply chain. They wanted to create a positive image in the mind of the customer through proper supply chain. Effective supply chain also creates the reliability of the product in the customer mind. **(Annexure 9)**

IMAGE OF THE COMMERCIAL VEHICLES

Before the launch of TATA Indica, the company had developed an image of Truck Maker Company. In order to improve its image, it had done the following transformations with respect to its launch of TATA Indica. It had improved the cost, quality, delivery, performance, flexibility and innovativeness of the product. This coupled with the aggressive marketing strategies helped the consumers in building a new image of the TATA Motors, there by resulting in effective sales of the newly launched car, TATA Indica²⁸.

TATA INDICA: BRAND EQUITY

TATA Indica was the first truly Indian car that heralds India's arrival on the global automobile arena. The company strives to make the Indica accessible to the value-seeking Indian, without compromises. It is a trustworthy, reliable car that appeals to the head as well as the heart. The brand was recognized as one of the

²⁰ According to this , a targeted selection of Fiat cars and the TATA product range along with service and sale of spare parts will be available from March 2006 through the TATA dealership network

²¹ http://www.frbsf.org/economics/conferences/0511/4_IncreasingGlobalCompetition.pdf

²² <http://www.icmrindia.org/free%20resources/casestudies/Tata%20Indica.htm>

²³ BHP=Boiler Horse Power, IBHP =9811KW

²⁴ <http://www.imaginmor.com/automobileindustryindia.html>

²⁵ Vendor :a supplier who provides goods or services to a company

²⁶ It is a cost management tool for reducing the overall cost of a product over its entire life-cycle with the help of production, engineering, research and design

²⁷ It is a production strategy that strives to improve a business return on investment by reducing in-process inventory and associated carrying costs. Just-in-time production method is also called the Toyota Production System.

²⁸ <http://www.unescap.org/tid/artnet/pub/wp3707.pdf>

strongest and most enduring of the past decade and has consistently been figured amongst the most trusted brands in industry surveys. The TATA Indica catapulted the Indian automobile industry into the big league of the global arena. The brand successfully transcended the initial flaws, bad customer /expert reviews and brickbats to become one of the largest selling cars in the Indian auto industry.

It has been created in an industry rife with global competition, requiring huge financial investment and scale as well as high technological competence.

TATA INDICA: MARKET STRATEGIES

Indica quickly established itself as the benchmark for the segment in the Indian Market. By offering exciting features, the car changed the rules of the category in Space, Power, Style, Safety and Economy for international market. The Indica ensured a pleasant ride and handling experience as it had features like wide large tires, generous leg room and independent front and rear suspension. It developed a new segment of diesel small cars along with its petrol offering. The luggage space was also the best in its class.

The rigid 980 kgs steel body of the car was rigorously tested at India's first and only crash test facility. A collapsible steering wheel, impact absorbing bumpers, anti-submarine seats, crumple zones and side impact beams are few of the features that made the Indica one of the safest cars on the roads. Savings are ensured with the fuel-efficient 1.4L diesel engine, while the 1.4L petrol engine is optimized for performance.

'More car per car' is the famous tagline of this product. The Indica's positioning has remained consistent with the brand's offering in an increasingly competitive market. The Indica is now synonymous with the word 'More', by encapsulating the inherent product strengths and marrying them with the customer trait of desiring 'More'. TATA automobile group have a very large distribution network all over India. They also adopted a competitive pricing²⁹ strategy for Indica in the Indian market.

GLOBAL MARKETING STRATEGIES

TATA Motors had drawn up a clear cut strategy that highlighted the fact that their only competitor was Palio in the B segment. This was their USP in a market dominated by luxury and super premium cars. They expected demand from Spain, Malta, Italy and Portugal and are striving for markets in UK, Iran and China.³⁰

Their Goal was the international market in the long term. They aimed for 20 per cent of business from the international market. Realizing the potential of Indica, Telco modified the model and launched Indica – a MPV concept – at the Geneva Auto Fair in Switzerland.³¹ In 2004, Tata Motors starts its globalization drive and launches Tata Indica in South Africa. **(Annexure 10)** The TATA Indica v2 sedan has been successfully launched in the second half of the next 2006. The Sedan has been styled by IDEA – the Italian design house that penned Indica. The result is a well-proportioned but conservative-looking mid-size car. The invitation to the motoring media to "Go on, try them yourself" at the West Bank raceway in December 2005 contributed to the high level of media attention. This open and honest approach to communicating the value of their products served well for the ongoing building of the TATA brand in South Africa. Ratan TATA has emphasized his group's commitment to the South African market, commenting that "the arrival of our cars in South Africa is the fulfillment of a desire I have held since I first came here... our countries can do much together and we are focusing seriously on our presence here – we will not take away but will add to South Africa."

TATA INDICA: BRAND EVOLUTION & BUILDING

Indica is a brand that is an epitome of persistence. TATA Motors through Indica has demonstrated how to manage product lifecycle effectively. The brand which was launched in 1998 has passed through many hurdles. The brand survived and thrived because of the constant focus of TATA Motors to improve the product continuously. More than the product innovation, it was the value proposition that forced customers to choose Indica despite some initial troubles. TATA Motors has been continuously tweaking the brand over these years sometimes making quantum leap in the quality and refinement of the product. The brand made a quantum leap in 2008 with the launch of Indica Vista. The entire brand personality changed with the launch of Vista. The product's looks and feel had changed completely and it was a rebirth for Indica.

The changes in the product were not limited to exteriors. Indica began sporting different types of engines from Fiat which gave a new perception of quality to the brand. At the pricing also, TATA Motors consciously raised the Vista brand to a higher level. The Vista is pricier than the original V2 thus reducing the attractiveness of the brand to the Taxi segment. At a price range of Rs 4 - Rs 5 Lakh, Indica Vista is not a cheap diesel car. It was an upward stretch by the brand.

(Annexure 11)

TATA INDICA'S PORTFOLIO

The Indica brand portfolio consists now of three sub-brands V2, Vista and Xeta. V2 is the most economical of the 3 sub brands and is the original Indica. This product is retained because there is still huge demand for V2 at that price point. Within the V2 range, there are three variants which include the Indica which is for the Taxi segment. Price of this sub-brand ranges from Rs 3,50,000 - Rs 3,95,000. Vista is the new generation Indica and TATA Motors would like this brand to take over the leadership position from V2 in future. The brand is targeting the discerning Indian consumer with its value proposition and good looks. Vista has lot of variants satisfying the various needs of the customer. The Indica Vista Aura is the premium range that sports many goodies that premium brands claim like ABS, Airbags etc. Vista also comes in Petrol version sporting the Sapphire engine. Prices range from Rs 3,90,000 - Rs 4,90,000 . Within the Vista range, customers are given lot of engine option including engines from Fiat. Xeta is the petrol variant of Indica V2. The positioning across the brand portfolio remains the same. All the brands focus on the value proposition³². But these sub- brands sports different taglines.

Indica V2- More car per car

Indica Vista-Surprise Yourself

Indica Xeta - Makes much more car sense

(Annexure 12)

FUTURE PROSPECTS OF TATA MOTORS

Tata Motors is truly an international automobile manufacturing company. It is uniquely placed to leverage the strengths of other TATA Group companies. This enables it to provide the seamless interface through which an integrated solution is achievable. It is planning to focus on small cars packed with accessories to tap the market opportunities in future. Addressing the Society of Indian Automobile Manufacturers³³ (SIAM) annual Convention, 2010, Ratan Tata, Chairman of Tata Motors said, "Markets in US and Europe are looking for small cars at the top end loaded with accessories. If the small cars are packaged effectively and the power trains are more fuel efficient, small cars will sell the developed market". Adding a significant dimension to TATA Motors vehicles is the wide range of products and services from other TATA Group companies. Some of them are TATA Power Strategic Electronics Division (SED)³⁴ and TATA Consultancy Services (TCS)³⁵. **(Annexure 13)** Tata Motors is equally focused on environment-friendly technologies in emissions and alternative fuels. It has developed electric and hybrid vehicles both for personal³⁶ and public transportation. It has also been implementing several environment-friendly technologies in manufacturing processes, significantly enhancing resource conservation.

Through its subsidiaries, the company is engaged in engineering and automotive solutions, construction equipment manufacturing, automotive vehicle components manufacturing and supply chain activities, machine tools and factory automation solutions, high-precision tooling and plastic and electronic

²⁹ Competitive Pricing: Setting the price based upon prices of the similar competitor products ,the products can be with low price elasticity ,low cross elasticity and the demand of the product will rise.

³⁰ <http://www.indiaautomobile.com/>

³¹ <http://www.automobileindia.com/>

³² It is a promise of value to be delivered and a belief from the customer of value that will be experienced.

³³ SIAM is a Vehicle Manufacturers / Automobile Association in India

³⁴ Tata Power SED has been a leading private sector player in the indigenous design, development, production and supply of defence systems

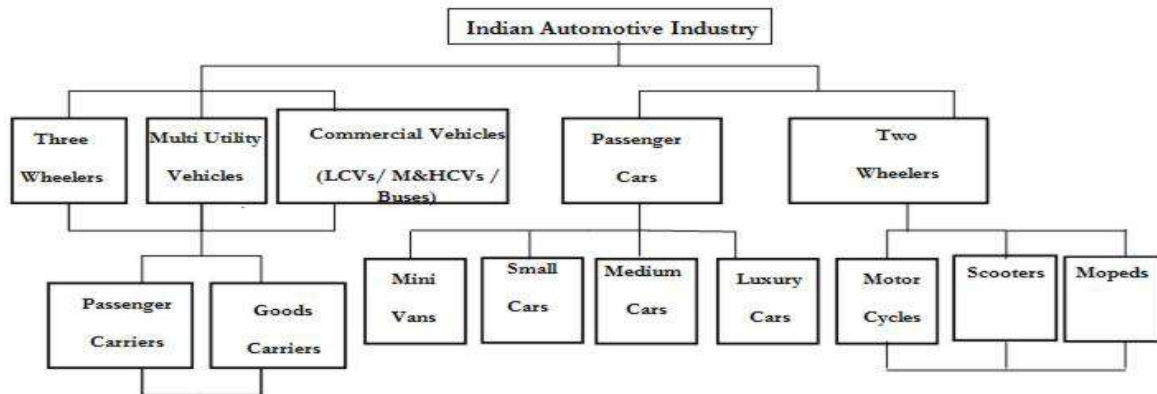
³⁵ TCS offers a wide range of IT services, outsourcing and business solutions.

³⁶ <http://www.tatamotors.com/know-us/company-profile.php>

components for automotive and computer applications, and automotive retailing and service operations. With the foundation of its rich heritage, Tata Motors today is etching a refulgent future.³⁷

ANNEXURE

ANNEXURE 1: GENRE OF INDIAN AUTOMOTIVE INDUSTRY



Source: ACMA, India
<http://www.nistads.res.in/indiasnt2008/t4industry/t4ind12.html>

ANNEXURE 2: PRICES

Different Parameters	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	Units
Motor Vehicle Production	8,467,853	9,743,503	11,087,997	10,853,930	11,175,479	Units
Industry Revenue	24,379	26,969	30,507	32,383	33,342	USD million
Exports(Units)	629,544	806,222	1,011,529	1,238,333	1,530,660	Units
Exports (Revenue)	1915	2,231	2,552	3,008	3,718	USD million

Source: Department of Heavy Industry, ³Society of Indian Automotive manufacturing (SIAM), National Accounts Division, *ImaginMor estimates, USD 1 = INR 46

AUTOMOBILE PRODUCTION

Type of Vehicle	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	Units
Passenger Vehicles	1,209,876	1,309,300	1,545,223	1,777,583	1,838,697	Number
Commercial Vehicles	353,703	391,083	519,982	549,006	417,126	Number
Three Wheelers	374,445	434,423	556,126	500,660	501,030	Number
Two Wheelers	6,529,829	7,608,697	8,466,666	8,026,681	8,418,626	Number
Total	8,467,853	9,743,503	11,087,997	10,853,930	11,175,479	Number

Source: Society of Indian Automotive Manufacturing (SIAM)

ANNEXURE 3: AUTOMOBILE SALES

Type of Vehicle	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	Units
Passenger Vehicles	1,061,572	1,143,076	1,379,979	1,549,882	1,551,880	Number
Commercial Vehicles	318,430	351,041	467,765	490,494	384,122	Number
Three Wheelers	307,862	359,920	403,910	364,781	349,719	Number
Two Wheelers	6,209,765	7,052,391	7,872,334	7,249,278	7,437,670	Number
Total	7,897,629	8,906,428	10,123,988	9,654,435	9,723,391	Number

Source: Society of Indian Automotive Manufacturing (SIAM)

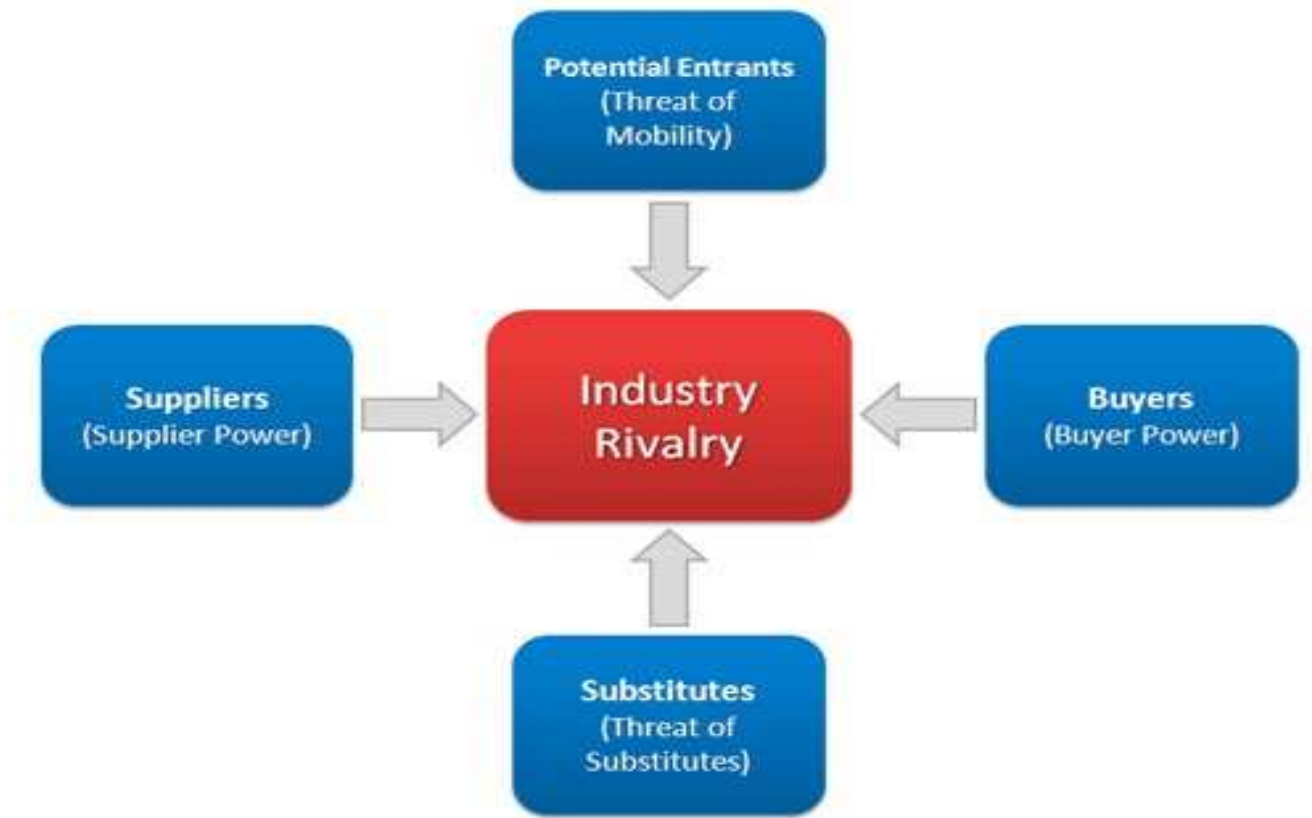
AUTOMOBILE EXPORTS

Type of Vehicle	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	Units
Passenger Vehicles	166,402	175,572	198,452	218,401	335,739	Number
Commercial Vehicles	29,940	40,600	49,537	58,994	42,673	Number
Three Wheelers	66,795	76,881	143,896	141,225	148,074	Number
Two Wheelers	366,407	513,169	619,644	819,713	1,004,174	Number
Total	629,544	806,222	1,011,529	1,238,333	1,530,660	Number

Source: Society of Indian Automotive Manufacturing (SIAM)

³⁷ <http://www.tatamotors.com/know-us/company-profile.php>

ANNEXURE 4: PORTER'S FIVE FORCES MODEL



Source:<http://www.soopertutorials.com/business/strategic-management/3028-porter-fiveforces-model.html>

ANNEXURE 5: AUTOMOBILE INDUSTRY: COMPETITORS

Company Name	Analysis
Tata Motors	Tata Motors is the largest automobile manufacturing companies in India. Established way back in 1945 Tata Motors is a multinational automobile company with its headquarters in Mumbai. Previously known as Telco TATA Engineering and Locomotive Company Tata Motors belongs to Tata Group. This company manufactures compact medium sized utility vehicles. Over the last few decades it has stood as the undisputed leader in the commercial vehicles segment. It is also the third largest producer of passenger cars in India. This automobile company in India is listed on both the Bombay Stock Exchange and the New York Stock Exchange. The revenues earned by Tata Motors in 2010 accounted to \$20.572 billion. Some of the well known cars manufactured by Tata Motors are: Tata Indigo, Tata Indica, Tata Sumo Tata Indigo Marina and Tata safari
Hindustan Motors Limited	Hindustan Motors Limited was founded in the year 1942 by B.M Birla. It is an operative subsidy of the Birla Technical Services group. This company held the title of the biggest manufacturer of cars in India before Maruti Udyog. Hindustan Motors was the pioneer in manufacturing automobiles in India. The company accounted for a sales turnover of Rs 150.66 crore in 2010. Some of the important cars and multi utility vehicles manufactured by Hindustan Motors Limited include; Mitsubishi Lancer, Trekker, Contessa, Ambassador, Porter, Pushpak and the Mitsubishi.
Ashoke Leyland	Ashoke Leyland is a leading commercial vehicle manufacturer in India. It was established in 1948. The company over the years has become synonymous with the production of trucks, passenger buses and emergency military vehicles. It happens to be the second largest commercial vehicle producer in India holding a market share of almost 30 percent. The company holds a record for selling almost 60, 000 vehicles and almost 7000 engines per years. Ashok Leyland accounted for consolidated revenues of US\$ 1.4 billion in 2009. Some of the popular products by this company are; Panther BS-II Multi-axle Vehicles, Cheetaah Bus-III, Tractors and Ecomet, Lynx BS-II, Diesel and Natural Gas gensets from 15KVA to 250KVA.
Maruti Suzuki India Limited	Maruti Suzuki India Limited was established in 1981. A part of this company is owned by Suzuki Motor Corporation of Japan. It is the country's largest passenger car manufacturing company. Credited for having brought in the automobile revolution in the country Maruti Suzuki India Limited was known as Maruti Udyog Limited till 2007. With its headquarters in Delhi this automobile company in India happens to be the largest producer and market share holder of cars. The company accounted for consolidated revenues of US\$4.8 billion in 2010. Maruti Suzuki India Limited is credited for manufactures a variety of passenger cars SUVs, and Sedans. Some of Maruti's most popular cars are: Alto, Gypsy, Omni, Wagon R, Maruti 800, Versa, Zen, Esteem, Baleno and Swift.
Hyundai Motor India Limited	Hyundai Motor India Limited (HMIL) is owned entirely by Hyundai Motors of South Korea. Hyundai Motors happens to be the largest car manufacturer in South Korea and the sixth largest in the world. This automobile company in India is also the largest passenger cars exporter in India. Established on May 6 1996 this company in a short span of time has taken the Indian automobile industry by storm. Some of the popular cars manufactured by this company are; Santro, Getz Prime, Hyundai i10, Hyundai i20 Accent and the Verna and Sonata
Bajaj Auto	Bajaj Auto is another important automobile manufacturing company in India. It is one of the India's most trusted car manufacturers. It is an operative subsidy of the Bajaj Group. Bajaj Auto happens to be the largest two and three wheeler manufacturer in India and also ranks in this field across the globe. This automobile company was established on 2 November 1945. The company was then known as M/s Bachraj Trading Corporation Private Limited. The company made a modest beginning by importing and then selling two and three wheelers in India. Today Bajaj Auto has become synonymous with two and three wheelers in the country. Some of its popular two wheelers are; Pulsar 220DTS and Kawasaki Ninja 250R.

Source: Compiled by the author

ANNEXURE 6: MERGERS & ACQUISITIONS

Year	Name Of the Acquired Company	Impact Of the Acquisition
2004	Daewoo's Truck	It aimed to increase its presence worldwide. Company's global plans to reduce domestic exposure. The domestic commercial vehicle market is highly cyclical in nature and prone to fluctuations in the domestic economy. Tata Motors has a high domestic exposure of ~94% in the MHCV segment and ~84% in the light commercial vehicle (LCV) segment. Since the domestic commercial vehicle sales of the company are at the mercy of the structural economic factors, it is increasingly looking at the international markets. The company plans to diversify into various markets across the world in both MHCV as well as LCV segments. To expand the product portfolio Tata Motors recently introduced the 25MT GVW Tata Novus from Daewoo's (South Korea) (TDCV) platform. Tata plans to leverage on the strong presence of TDCV in the heavy-tonnage range and introduce products in India at an appropriate time. This was mainly to cater to the international market and also to cater to the domestic market where a major improvement in the Road infrastructure was done through the National Highway Development Project.
2005	Aragonese Hispano Carrocera	In 2005, the company saw an opportunity in the fully built bus segment, Tata Motors acquired a 21% stake in Hispano Carrocera SA, [16] the leading European bus and coach cabin maker. In 2009, the company picked up the remaining 79% stake in Hispano Carrocera SA for an undisclosed sum, making it a fully owned subsidiary.
2008	British Jaguar Land Rover (JLR)	When the Tata Motors acquired the British Jaguar Land Rover (JLR) business, which also includes the Daimler, Lanchester and Rover brands, they became a major player in the international automobile market. On 27 March 2008, Tata Motors reached an agreement with Ford to purchase their Jaguar Land Rover operations for US\$2.3 billion. The sale was completed on 2 June 2008. In addition to the brands, Tata Motors has also gained access to two design centers and two plants in UK. The key acquisition would be of the intellectual property rights related to the technologies.
2010	Trilix	In 2010, Tata Motors acquired 80% stake in Italy-based design and engineering company Trilix for a consideration of €1.85 million. The acquisition is in line with the company's objective to enhance its styling/design capabilities to global standards.

Source: Compiled by the authors

ANNEXURE 7: FACTS ABOUT INDICA

- TATA Motors is the youngest passenger car company in the world.
- The car came into being – concept freeze to launch – in just 31 months.
- The name, Indica, was derived from two words – India's Car.
- The Indica sold its second 100,000th car in a record period of less than 18 months.
- Indica's investment of Rs. 19.20 billion for a capacity of 150,000 cars achieved cash profits in its third year and net profits in its fourth.
- Indica catapulted TATA Motors as the second largest player in the Indian passenger vehicle market.
- In the Indian car industry, Indica Club is the largest brand loyalty program.
- Indica is instrumental in creating a Rs. 46 billion passenger car business for TATA Motors within five years of its launch.
- Indica investment became EVA³⁸ positive in its fifth year – a rare distinction in the automobile world.

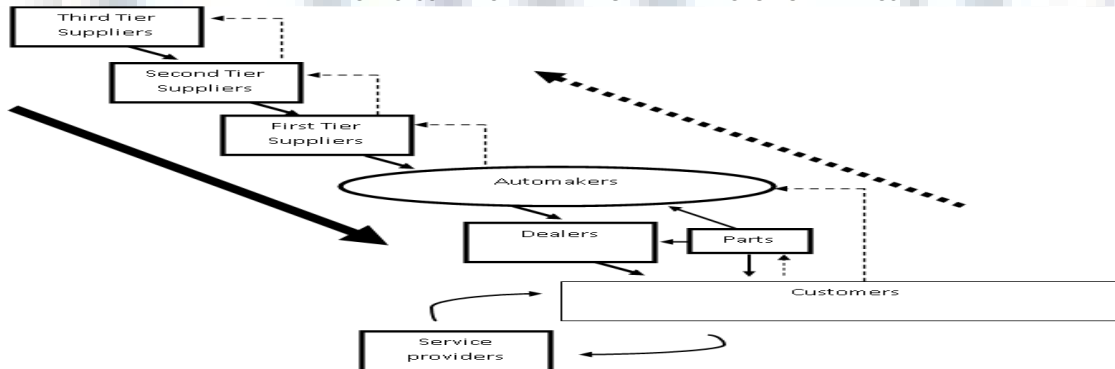
Source: Source: http://www.superbrandsindia.com/images/brand_pdf/consumer_1st_edition_2004/tata-indica/tata-indica.htm

ANNEXURE 8: OUTSOURCING: VENDOR BASED MANAGEMENT

Components	Suppliers
5 DOOR HATCHBACK	I.DE.A(ITALY)
ENGINE	INSTITUT FRANCAIS DU PETROL FRANCE
ASSEMBLY LINE	NISSAN'S PLANT (AUSTRALIA)
PRESSES	MERCEDES BENZ
PISTONS AND PISTON RINGS	INDIA PISTONS
ELECTRIC COMPONENTS AND FUEL INJECTION SYSTEM	LUCAS-TVS
STEERING SYSTEM	RANE TRW STEERING SYSTEM
RADIATOR	TATA-TOYO
FRONT AND REAR BUMPER, DASHBOARD, INSIDE	TATA AUTO PLASTICS
TRIMS.	
FUEL LINES	IMPERIAL AUTO
Air Conditioning Kits	Subros Ltd
Wind Screens and Windowa	Asahi Glass
Different Assemblies	Sona Steering
Sheet Metal Items	JBM Tools

Source: Compiled by the authors

ANNEXURE 9: SUPPLY CHAIN MANAGEMENT IN AUTOMOBILE INDUSTRY



Source: ACMA, India, <http://www.nistads.res.in/indiasnt2008/t4industry/t4ind12.html>

³⁸ EVA-Economic Value Added=it is a tool to measure efficiency with which a company has used its resources

ANNEXURE 10: RATAN TATA WITH LAUNCH OF INDICA IN SOUTH AFRICA



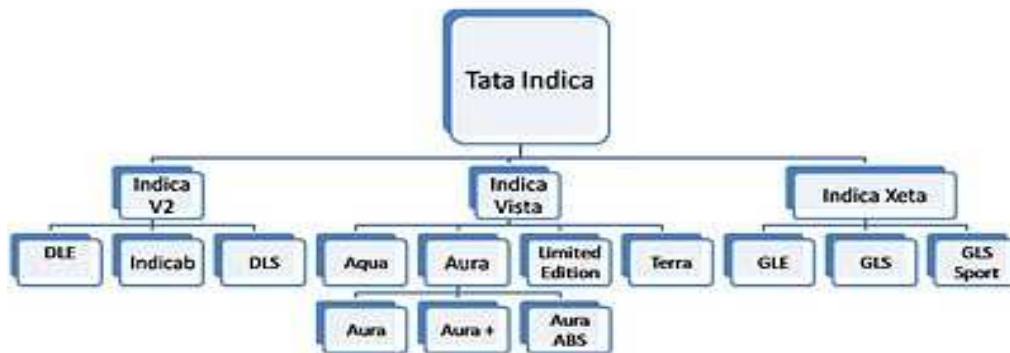
Source: <http://www.team-bhp.com/forum/commercial-vehicles-india/34712-tatas-journey-trucks-nano.html>

ANNEXURE 11: TATA INDICA: BRAND EVOLUTION AND BUILDING

Year	Value Proposition Added to Tata Indica
1998	Indica announced
2001	Indica V2
2004	Rejuvenated Indica V2
2005	Indica V2 Turbo Diesel
2006	Indica Xeta
2008	Indica Vista

Source: Compiled By the authors

ANNEXURE 12: TATA INDICA: BRAND PORTFOLIO



Source: Thomaswhite <http://www.thomaswhite.com/explore-the-world/bric-spotlight/2010/india-auto.aspx>

ANNEXURE 13: RATAN TATA DRIVES THE FIRST TATA INDICA OFF THE ASSEMBLY LINE



Source: <http://jerinsantosh.wordpress.com/2010/11/18/tata-time-line/>

STUDY OF INVESTOR'S BEHAVIOR TOWARDS INVESTMENT IN FINANCIAL SECURITIES

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ABSTRACT

Investing is not a game but a serious subject that can have a major impact on investor's future well being. Virtually everyone makes investment. The individual may be equal in all aspects, but their financial needs and preference may be different. This study aims to know about investment preferences of majority of investors. It also outlines the factors which affects individual's investment decisions. It attempts to find the factors which influence investor the most while making investment. Target group chosen for this study were the investors of Sirsa city (Haryana, India), who regularly invests. This study reveals that majority of Investors rank government securities and fixed income securities as most preferred security for investing their money. Mutual fund is the least preferred security. Safety of funds, easy liquidity and regular income and tax benefit received from particular security are the most influencing factors which influence investors to invest money in these securities.

KEYWORDS

Benefits, Investor preference, liquidity, Recommendation, Security.

INTRODUCTION

This study is about how investors think and behaves before investing in any of the financial securities. A security is generally a fungible, negotiable financial instrument representing financial value. People have various investments options like equity securities, mutual funds, government securities etc. Many individuals find investments to be attractive because they actively participate in decision making process of investing and see the results of their choices. All investments are not profitable, as investor not always make the correct investment decision. Investing is not a game but a serious subject that can have a major impact on investor's future wellbeing. Virtually everyone make investments. Investors generally invest in equity securities, debentures, government securities, fixed income securities and mutual funds etc. Every investment contains some risk and return. Today investor are not free from risk, due to this before investing every investor try to understand what kind of risks are associated with securities. With this inflation has also increased awareness of financial planning and wise investing. To cope with this, investors want to invest their money in that security which give high return, tax benefit, regular income etc. at low risk. Through this paper we are trying to find out investment preference of investors and identify the factors responsible for investment in financial securities.

REVIEW OF LITERATURE

Earlier studies have been carried out to determine the investment pattern of institutional investors but studies dealing with investment pattern of individual investors are very few.

Donald and Jordan (1994) analyzed the relation between risk, investor preferences and investor behavior. The risk return measures on portfolios are the main determinants of an investor's attitude towards them. Most investors seek more return for additional risk assumed. The conservative investor requires large increase in return for assuming small increases in risk. The more aggressive investor will accept smaller increases in return for large increases in risk. They concluded that the psychology of the stock market is based on how investors form judgments about uncertain future events and how they react to these judgments.

Rajarajan (2000) predicted individual investment choices (e.g., stocks, bonds, government securities) based on lifestyle and demographic attributes. These investors saw rewards as contingent upon their own behavior.

Tamini (2005) revealed that five factors influence investor behavior. The least influencing factors in order of importance were: expected losses, minimizing risk, expected losses in international financial markets, family member opinions and gut feeling on the economy.

Kabra et al. (2010) concluded that individual investors prefer investment according to their risk preference. For e.g. risk adverse peoples choose fixed income securities. Occasions of blind investments are scarce, as a majority of investors are found to be using some sources and reference groups for taking decisions.

STATEMENT OF THE PROBLEM

Study of investor's behavior towards investment in financial securities.

OBJECTIVES OF THE STUDY

1. To know the investment preference of investors.
2. To identify the factors responsible for investment in financial securities.

RESEARCH METHODOLOGY

This research follows the survey research methodology based on previous research in related area, a questionnaire was constructed to study the investor's behavior towards investment in financial securities. After pilot testing the questionnaire was administered to 100 investors. Here we take minimum age as 20 years as we consider that individual starts earning after this age. The data were analyzed with the percentage method.

SAMPLE PLAN

The target group chosen for this was investors, who regularly invest. They invest fewer amounts but invest regularly according to their earnings. Sample unit for this research is investors of Sirsa city and sample size is 100 investors.

DATA COLLECTION

For research data has been collected from primary sources as well as secondary sources.

- **Primary Data:** This is collected by means of structured questionnaire. A three page questionnaire was developed. In first part of questionnaire demographic information such as age, education, gender, marital status, occupation, income were sought. In remaining part questions were adopted to measure investor's behavior towards investment in financial securities.

- Secondary Data: This is collected from books, newspapers, research papers, internet etc.

DATA ANALYSIS AND INTERPRETATION

TABLE 1: DETAIL OF RESPONDENTS

Demographics		No. of respondents	Percentage (%) of the sample
Age	20-30	32	32
	30-40	28	28
	40-50	36	36
	50 and above	4	4
Gender	Male	68	68
	Female	32	32
Education	Secondary Education	8	8
	Matriculation	12	12
	Senior Secondary	8	8
	Graduation	38	38
	Post –Graduation	28	28
	Any Other	6	6
Marital Status	Bachelor	24	24
	Married	68	68
	Divorced	8	8
Occupation	Businessman	28	28
	Employee(Private sector)	24	24
	Employee(Public Sector)	24	24
	Farmer / Laborer	16	16
	Any other	8	8
Income per month	Less than 10,000	8	8
	10,000 – 20,000	20	20
	20,000 – 30,000	20	20
	30,000 – 40 ,000	36	36
	40,000 – 50,000	12	12
	More than 50,000	4	4

Table 1 shows demographic profile of respondents. Demographic profile was analyze using frequency distribution. Total sample size is 100. Age, gender, educational qualification, marital status, occupation and income per month constitute the demographic profile of the respondents.

TABLE 2: IN WHICH SECURITIES YOU HAVE INVESTED YOUR MONEY

Securities	Frequency (Yes)	Percentage of investor who invest in securities	Frequency (No)
Equity securities	36	36	64
Debentures	16	16	84
Government Securities	56	56	44
Fixed Income Securities	40	40	60
Mutual Funds	12	12	88

Table 2 shows that most of the investors invest in government securities. There are 56% people who invest in government securities, these investors also invest part of their income in other securities. Only 16% people invest in debentures. 40% people invest in fixed income securities and 36% invest in equity securities. Mutual fund is the security in which least people invest their money Most of the investors have investment in more than one security. With the help of this table we can conclude maximum numbers of investors invest in government securities.

TABLE 3: WHAT PERCENT OF YOUR INCOME DO YOU INVEST ANNUALLY

	Up to 10%	10%-15%	15%-20%	More than 20%	Total
Frequency	28	40	24	8	100
Percent	28	40	24	8	100

Table 3 shows that most of the investors invest 10% - 15% of their income annually. 40% investors, invest 10% -15% of their income on different securities annually. 28% investors, invest up to 10% of their income in buying different securities. Only 8% investors are there who invest more than 20% of their income on purchase of different securities.

TABLE 4: FOR WHAT DURATION YOU PREFER TO INVEST

	Less than 1 year	1-3 year	3-5 year	More than 5 year	Total
Frequency	12	46	34	8	100
Percent	12	46	34	8	100

Table 4 shows that out of all investors 46% of investor invest their money for 1-3 year. Only 8% investors are there who invest for more than 5 years. This show that people don't prefer to invest for long period. 12% investors invest for less than 1 year. We can say majority of investors invest for 1-3 year , after that people prefer to invest for 3-5 year.

TABLE 5: WHAT IS YOUR SATISFACTORY RATE OF RETURN ON YOUR INVESTMENT

	Less than 5 %	5%-10%	10%-15%	More than 15%	Total
Frequency	8	44	40	8	100
Percent	8	44	40	8	100

Table 4 shows that investor's satisfactory rate of return on investment is different. It depends upon their individual needs. 44% of investors consider 5%-10% return as satisfactory return and 40% of investors consider 10%-15% return as satisfactory return. And only 8% investors consider return less than 5% as satisfactory return .This show majority of the investors look for return at least more than 5%.

TABLE 6: RANK THESE SECURITIES ACCORDING TO YOUR INVESTMENT PREFERENCE (Total rank 1 to 5) (Rank 5 = Most Preferred)

Securities	Rank preference in percentage(%)					Total
	5 (Most preferred)	4	3	2	1 (Least preferred)	
Equity securities	28	18	22	24	8	100
Debentures	12	16	26	20	26	100
Government Securities	44	20	20	12	4	100
Fixed Income Securities	34	22	18	16	10	100
Mutual Funds	8	14	30	18	30	100

Table 6 shows that government securities and fixed income securities are most preferred in comparison to other. Mutual funds are the least preferred security for investment. It gets least rank in preference. Out of 100 investors 28% person rank equity securities as most preferred securities, only 12% investor rank debenture and 8% investor rank mutual fund as most preferred security and 44% investors rank government securities as most preferred security. Arrangement of securities from most preferred to least preferred according to response were: government securities, fixed income securities, equity securities, debentures, mutual funds.

TABLE 7: IN YOUR OPINION, THE FOLLOWING FACTOR(S) INFLUENCE YOU TO INVEST THE MONEY IN DIFFERENT FINANCIAL SECURITIES (5= Strongly Agree , 4 = Agree, 3 = neutral , 2= Disagree , 1 = Strongly Disagree)

	Response in percentage (%)					Total
	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	
A) Security/Safety						
(i)To meet family needs in future	44	36	8	8	4	100
(ii)To meet emergency needs	25	33	38	2	2	100
(iii)To live a safe and secure life	30	26	32	6	6	100
(iv)To minimize the risk of theft	6	10	40	26	18	100
B) Benefit						
(i)Regular income	44	38	12	4	2	100
(ii)Tax benefit	40	24	32	3	1	100
(iii)Capital appreciation/Savings	36	36	20	6	2	100
(iv)Protection from inflation	16	24	24	24	12	100
C) Recommendation						
(i)Local broker	24	16	20	24	16	100
(ii)Magazine and Newspaper	8	8	48	24	12	100
(iii)Family	28	30	20	18	4	100
(iv)Friends	12	28	12	36	12	100
(v)Peers	8	12	24	44	12	100
(vi)Financial experts	32	24	32	10	2	100
D) Easy liquidity	50	22	20	4	4	100
E) Availability of information	12	34	40	2	12	100
F) Availability of money/funds	32	32	24	8	4	100
G)Avoidance of potential debtor	4	4	16	36	40	100

Table 7 shows that investors are strongly agree that they invest in securities for the purpose of safety. 44% investors strongly agree that the most important factor of safety/security which influence them at the time of making investment is their desire to meet family needs in future, only 4% investor strongly disagree with this. 30% strongly agree with the fact that they want to live safe and secure life. Only 6% investor agrees that they invest to minimize the risk of theft. Investors strongly agree that one of the reasons for their investment is the benefit which they get from investment. Regular income and tax benefits are the most important factor which influences them at the time of making investment. Investors who invest on recommendation, out of them 28% of them strongly agree that they invest on recommendation of family and 32% of them invest on recommendation of financial experts. 50% of total investors strongly agree that security providing high liquidity influence them to invest. 32% investor strongly agree on that the availability of funds/ money also influence them to invest.

SUMMARY AND CONCLUSION

It can be concluded that modern investor is mature person. Purpose of this study was to know the investment preference of investors. This study find government securities and fixed income securities are most preferred in comparison to other. Mutual fund is the least preferred security, as it gets least rank in preference. Arrangement of securities from most preferred to least preferred according to response were: government securities, fixed income securities, equity securities, debentures, mutual funds. It also shows that investor is risk averse. Another objective was to identify the factors responsible for investment in securities. This study found that investor is strongly agreed that they invest in security for the purpose of safety. Availability of funds and high liquidity also influence them to invest. The individual investors prefer investments according to benefit and safety provided by security. For example, people who want tax benefit invest in government securities. Occasion of blind investment are scarce, investors who invest on recommendation of people, they mainly invest on the recommendation of family and financial experts.

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ANNEXURE

QUESTIONNAIRE

PART-1

1. Name (OPTIONAL) Mr. / Mrs. / Ms.....
- Demographic Information (Please tick as v)
2. Age (years)

20-30	()
30-40	()
40-50	()
50 and above	()
3. Education

Secondary education	()
Matriculation	()
Senior Secondary	()
Graduation	()
Post- graduation	()
Any other (mention, please) _____	
4. Gender

Male	()
Female	()
5. Marital status

Bachelor	()
Married	()
Divorced	()
6. Occupation

Businessman	()
Employee (private sector)	()
Employee (public sector)	()
Farmer / laborer	()
Any other (mention, Please) _____	
7. Income (Rupees Per Month)

less than 10,000	()
10,000 - 20,000	()
20,000 - 30,000	()
30,000 - 40,000	()
40,000 - 50,000	()
More than 50,000	()

PART-2

- Q1. In which securities you have invested your money? (Please tick as v)

a) Equity securities (Stock market)	()
b) Debentures	()
c) Government securities	()
d) Fixed income securities	()
e) Mutual funds	()
- Q2. What percent of your income do you invest annually? (Please tick in the appropriate cell as v)

a) Up to 10%	()
b) 10% - 15%	()
c) 15% - 20%	()
d) More than 20%	()
- Q3. For what duration you prefer to invest? (Please tick in the appropriate cell as v)

a) Less than 1 year	()
b) 1-3 year	()
c) 3-5 year	()
d) More than 5 year	()
- Q4. What is your satisfactory rate of return on your investment? (Please tick in the appropriate cell as v)

a) Less than 5%	()
b) 5% - 10%	()
c) 10% - 15%	()
d) More than 15%	()
- Q5. Rank these securities according to your investment preference (Total Rank 1 to 5) (Rank 5 = Most Preferred)

a) Equities	()
b) Debentures	()
c) Government securities	()
d) Mutual funds	()
e) Fixed income securities	()

Q6. In your opinion, the following factor(s) influence you to invest the money in different financial securities.(5=Strongly Agree , 4= Agree , 3 = Neutral , 2 = Disagree , 1 = Strongly Disagree) (Please tick on the digit as v) :-

a)	Security/Safety	5	4	3	2	1
	i. To meet family needs in future	5	4	3	2	1
	ii. To meet emergency needs	5	4	3	2	1
	iii. To live a safe and secure life	5	4	3	2	1
	iv. To minimize the risk of theft	5	4	3	2	1
b)	Benefit	5	4	3	2	1
	i. Regular income	5	4	3	2	1
	ii. Tax benefit	5	4	3	2	1
	iii. Capital appreciation/Savings	5	4	3	2	1
	iv. Protection from inflation	5	4	3	2	1
c)	Recommendation	5	4	3	2	1
	i. Local broker	5	4	3	2	1
	ii. Magazine and Newspaper	5	4	3	2	1
	iii. Family	5	4	3	2	1
	iv. Friends	5	4	3	2	1
	v. Peers	5	4	3	2	1
	vi. Financial experts	5	4	3	2	1
d)	Easy Liquidity	5	4	3	2	1
e)	Availability of information	5	4	3	2	1
f)	Availability of money/funds	5	4	3	2	1
g)	Avoidance of potential debtor	5	4	3	2	1

SOCIO ECONOMIC DETERMINANTS OF WOMEN EMPOWERMENT THROUGH MICRO FINANCE WITH SPECIAL REFERENCE TO COIMBATORE DISTRICT

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ABSTRACT

In the globe era, women will equally treat along with men. This is called as actual development of men and women. Empowerment of women is one of very important issue in developing countries. As women are integral part of society, her status and participation in decision making as well as economic activities are high when compared to the past decades. Microfinance is emerging as a powerful instrument for poverty alleviation in the new economy. In this study an attempt is made to explore the socio economic determinants of women empowerment in which microfinance is crucial. The study is based on 150 women respondents from various Self Help Group (SHGs) in Coimbatore district. The samples are selected based on convenient sampling method and tools like simple percentage, chi-square and correlation are used. For the purpose of study the various factors like (able to manage day to day activities, Improve quality of life, Increase in productivity, Enhancement of investment, Building socio economic relationship, Work commitment, Recognition from others, Support from family, Improve status, Awareness towards public issues & Accessibility of resources) related to problems of women towards microfinance are considered. The study reveals the socio economic determinants which influence the women empowerment through micro finance.

KEYWORDS

Economic Development, Microfinance, Women empowerment.

INTRODUCTION

Women must segregate their time between work "fruitful role" and family "reproductive role", and balancing all the demands. Time is precious for these women, as their livelihoods depend largely on their ability to fulfill the manifold demands of the household and the marketplace. Earning from their jobs has been considered as an "added income" to family survival or simply to improve their standard of living. Moreover, microenterprises owned by women have been considered as a way to meet primary needs instead of a profitable source of income. Women have to fight against an unfavorable environment, in order to minimize and exploit their capacities. As a result of this reality, women are just satisfied with the non-financial benefits and psychological satisfaction of "social contact". Women's activities offer a great source of knowledge and innovation, the women may differ in social background, educational to maintain strong communications-channels at all levels. Women are experienced in balancing claims, in organizing and pacing, and in handling difficult problems.

WOMEN AND MICRO FINANCE

Microfinance services lead to women empowerment by positively influencing women's decision making power at household level and their overall socioeconomic status. Both men and women, face difficulties in establishing an additional enterprise, women have to overcome certain barriers like negative socio-cultural attitudes, legal barriers, practical external level, experience and age. Another interesting factor is their strong social coherence that allows them barriers, lack of education and personal difficulties. For women, especially for poor women, micro enterprise ownership has emerged as a strategy for economical survival. One of the most essential factors contributing to success in micro entrepreneurship is access to capital and financial services. For various reasons, women have had less access to these services than men. Regarding limited-access to financial services, women depend largely on their own limited cash resources or, in some cases, loans from extended family members for investment capital. Smaller amounts of investment capital effectively limit women to a narrow range of low-return activities which require minimal capital outlays, few tools and equipment and rely on farm produce or inexpensive raw materials. In general, women need access to small loans (especially for revolving capital), innovative forms of collateral, frequent repayment schedules more appropriate to the cash flows of their enterprises, simpler application procedures and improved access to saving accounts.

Micro Finance is of latest origin and is commonly used in addressing issues related to scarcity mitigation, financial support to micro entrepreneurs, gender development etc. Microfinance has defined microfinance as "Provision of thrift, credit and other financial services and products of very small amounts to the privileged in rural, semi-urban or urban areas for enabling them to raise their income levels and improve livelihood standards". Women entrepreneurs throughout the world contribute to economic growth and the sustainable livelihood of their families and communities. Microfinance helps empower women from poor households to make this contribution. Microfinance — the provision of financial services to the poor in a sustainable manner — utilizes credit, savings and other products such as micro insurance to help families take advantage of income-generating activities and better cope with risk.

EMPOWERMENT

Empowerment of women means to let women survive and let them live a life with decorum, humanity, respect, self esteem and self dependence. Empowerment is defined as the processes by which women take control and possession of their lives through spreading out of their choices. Thus, it is the process of acquiring the ability to make tactical life choices in a context where this ability has subsequently been denied. Empowerment can take place at a hierarchy of different levels – individual, household, community and societal – and is facilitated by providing encouraging factors (e.g., exposure to new activities, which can build capacities) and removing inhibiting factors (e.g., lack of resources and skills).

Authorizing or enabling an individual to think, behaves, take action and control work in an autonomous way is the process of empowerment. It is the state of approach of self-empowered to take control of one's own future. It includes both controls over resources (Physical, Human, Intellectual and Financial) and over principles (Belief, values and attitudes). It is a multi-dimensional communal process that helps people gain control over their own lives communities and in their society, by acting on issues that they define as important. Empowerment occurs within sociological, psychological, economic spheres and at various levels, such as individual, group and community and challenges our assumptions about status quo, asymmetrical power relationship and social dynamics. Empowering women puts the highlight on education and employment which are an essential element to sustainable progress.

WOMEN'S INDICATORS OF EMPOWERMENT THROUGH MICROFINANCE

- Ability to accumulate(save) and access loans
- Prospect to undertake an economic activity
- Mobility-Opportunity to visit nearby towns
- Awareness- local issues, MFI procedures, banking dealings
- Ability for income generation
- Decision making and planning within the household

WOMEN EMPOWERING ACTIVITIES

- Overcoming the resistance from husband and other members of the family to join the SHG;
- Increased participation in decision-making;
- Within the household it will improve status and increase in self- respect;
- Make women fearless, open and confident;
- Help them to joined in adult literacy programmes;
- Awareness towards family planning measures;
- Opportunities for women to move out of the house and the village more frequently.

MEASURING THE IMPACT OF MICROFINANCE

- Facilitating economic transactions
- Managing day-to-day resources
- Accessing services that improve quality of life
- Protecting against vulnerability
- Making productivity-enriching investments
- Leveraging assets
- Building economic citizenship

PROBLEMS AND CHALLENGES

- Lack of knowledge about the market and potential profitability.
- Women may also struggle with the heavier workload created by the responsibility for loan repayment.
- Inadequate in book-keeping and maintaining records.
- Increases social pressure is increased by employing relatives for job.
- Setting prices arbitrarily.
- Lack of finance and capital.
- High interest rates.
- Differences in literacy, property rights and social attitudes about women may limit impact outside of the immediate household.
- Women sometimes have little or no control over their loan, with the husband or male family member making all decisions
- Inventory updating is not undertaken.

OTHER SHORTCOMINGS INCLUDES

Burden of meeting: Time consuming meetings, in particular in programmes based on group lending, and time consuming income generating activities without reduction of traditional responsibilities increase women's work and time burden.

New Pressures: By using social capital, in-group lending/group collateral programmes, additional stresses and pressures are introduced, which might increase vulnerability and reflect disempowerment.

Reinforcement of traditional gender roles: lack of economic empowerment: Micro finance assists women to perform traditional roles better and women thus remain trapped in low productivity sectors, not moving from the group of survival enterprises to micro-enterprises. There are evidence of men withdrawing their contributions to certain types of household expenditures.

OBJECTIVES OF THE STUDY

The main objective of the study is to find out socio economic determinants of women empowerment through micro finance. Secondly, it aimed to find out women empowering activities and finally the study is intended to analyze the problems faced by the women.

METHODOLOGY

The primary data has been collected by door to door and women interviewed through structured questionnaire. Medium of instructions is Tamil. Convenience sampling technique was followed in selection of the study district, taluks and villages. In the first stage, Coimbatore district in Tamil Nadu was selected since it was found to be a well developed district. In the second stage, a list of the total number of SHGs in Coimbatore district was collected from the office of the Mahalir Thittam, Project Implementation Unit, Coimbatore; The Pollachi Block was selected based on the fact that it had the highest number of SHGs. Secondary data is being collected from reviews, magazines, journals and websites. The study consists of demographic variables like Age, Marital status, Educational Qualification, Income, Type of family etc. The responses are scaled from 1 to 5 using five point likert scales. The collected data were analyzed using simple percentage, chi-square and correlation. The hypothesis were framed and tested at 5% level of significance.

TABLE 1: BLOCK WISE SELF-HELP GROUPS IN COIMBATORE DISTRICT – AS ON JULY 2011

Name of the block	Rural SHGs	Total Women Covered
Annur	753	10817
Pollachi	1576	22545
Anaimalai	626	8764
Sarkar Samakulam	190	2777
Madukkarai	179	2506
Thondamuthur	307	4256
Karamadai	1059	15110
Perianaickenpalayam	606	8640
Sulur	499	7285
Kinathukadavu	464	6678

REVIEW OF LITERATURE

Abdulai (1999) argues that microcredit improves the standard of living by raising awareness, aiding decision making, and reducing poverty among rural beneficiaries. **Cheston and Kuhn**, Microcredit programs have the potential to transform power relations and empower the poor both men and women. **Goetz and Gupta(1996)** show that women experience higher bargaining and decision making power within the family as they bring more income to the household. The increase in the household income trickles down to impact higher consumption standards, education for children, and better nutrition. **Holvoet (2005)**, finds that in direct bank-borrower minimal credit, women do not gain much in terms of decision-making patterns. However, when loans are channeled through women's groups and are combined with more investment in social intermediation, substantial shifts in decision-making patterns is observed. This involves a remarkable shift in norm-following and male decision-making to more bargaining and sole female decision-making. She finds that the effects are even more striking when women have been members of a group for a longer period and especially when greater emphasis has been laid on genuine social intermediation. Social group intermediation had further gradually transformed groups into actors of local institutional change. **Krishna (2003)** points that these three concepts need to be pursued separately. For social capital, the emphasis should be on building stronger cognitive structural links among community members, for CDD the emphasis is on making complementary resources and formal authority available to communities. The emphasis should be on improving governance and making individuals and communities' better agents of their own development. **Leach and Sitaram's (2002)** study on an NGO's effort to empower scheduled caste women in the silk-reeling industry in South India by transforming them from wage laborers to independent entrepreneurs. **Malhotra (2002)** emphasis that even after identifying empowerment as a primary development goal, neither the World Bank nor any other major development agency has developed a rigorous method for measuring and tracking changes in levels of empowerment. The UNDP's Human Development Report of 1995 introduced two new complementary indices: the Gender-related Development Index (GDI) and the Gender Empowerment Measure (GEM). The GDI indicator measures the inequalities between men and women in terms of access to basic needs. **Nussbaum (2000)** refutes the arguments from culture, diversity and paternalism to construct a universal framework to assess women's quality of life. **Mayoux (1998)** suggests, empowerment is a process of internal change, or power within, augmentation of capabilities, or power to, and collective mobilization of women, and when possible men, or power with, to the purpose of questioning and changing the subordination connected with gender, or power over. Empowerment can range from personal empowerment that can exist within the existing social order. Thus this kind of empowerment would correspond to the right to make one's own choices, to increased autonomy and to control over economic resources. **Tazul Islam (2007)** suggests that the evidence demonstrates a "positive impact on enterprise and household income and asset accumulation, household consumption, and positive influence on social welfare indicators. **Rehman and Khan (2007)** presents that microfinance is the provision of collateral free loans to poor people especially in rural areas that are repayable in frequent and easy installments. **Hunt and Kasynathan (2002)** describes that microfinance programs for women have positive impact on economic growth by improving women income generating activities. The data used was collected from three NGO's in Bangladesh and one state from India. Most of women receiving credit have no control over their loans due to low access to markets. The author finds that the impact of Micro credit on female male education, marriage practice, mobility, violence against women and self respect.

PROFILE OF THE RESPONDENTS

The study is carried out with 150 sample respondents, who were belongs to self help group in Coimbatore District. The respondents age are classified into four groups below 25, 25 – 35, 36 – 45 and 46 & above. The marital status of respondents is groups into married and unmarried. The respondents educational qualification is classified as Illiterate, SSLC, HSC and Graduate. The incomes are grouped into Below 10,000, 10,001-20000 and 20,001 & above. The respondent's family type is classified as Nuclear and Joint Family. Finally the respondents family size are classified into following groups like 2, 3, 4 and Above 4. A summary of the demographic profile of respondents is presented in Table-1.

TABLE – 1: SIMPLE PERCENTAGE OF DEMOGRAPHIC VARIABLES

Demographic	Categories	Frequency	Percentage(%)
Age	Below 25	30	20
	25-35	60	40
	36-45	30	20
	46 and Above	30	20
Marital status	Married	90	60
	Unmarried	60	40
Educational qualification	Illiterate	30	20
	SSLC	45	30
	HSC	55	37
	Graduate	20	13
Family Income	Below 10,000	50	33
	10,001-20000	60	40
	20,001 and above	40	27
Family Type	Nuclear	80	53
	Joint Family	70	47
Number of numbers in family	2	60	40
	3	35	23
	4	30	20
	Above 4	25	17

Source: primary data

Out of total respondents 20% were aged below 25 years, 40% of respondents aged between 25 – 35 years, 20% of respondents aged 36-45 and above 46 of age group. More than half of the respondents (60%) were married & 40% of respondents are unmarried.

Most of the respondents 55 (37%) were completed their HSC. 45(30%) respondents are educated up to SSLC, 30 (20%) are illiterate. Finally remaining 20 (13%) of respondents are graduates.

As per income is considered 60 (40%) of respondents are earning monthly income between 10001-20000, 50 (33%) of respondents are earned below 10000, 40(27%) of respondents income is 20000 and above.

From the above data majority 80 (53%) of respondents are come under nuclear family & balance 70 (47%) are belong to joint family. 60 (40%) of the respondents have 2 members in their family, 35 (23%) of respondents total family members are 3, 30 (20%) of respondents belong to 4 members family group and balance 25 (17%) of respondents having 4 members in their family.

DETERMINANTS OF WOMEN EMPOWERMENT

TABLE - 2 (Percentage are given in brackets)

Determinants of Women Empowerment	Always	Often	Sometimes	Rarely	Never
Able to manage day to day activities	50(34)	20(13)	35(23)	25(17)	20(13)
Improve quality of life	46(31)	24(16)	29(19)	26(17)	25(17)
Increase in productivity	36(24)	35(23)	26(17)	31(21)	24(16)
Enhancement of investment	50(34)	46(31)	23(15)	19(13)	12(8)
Building socio economic relationship	53(35)	30(20)	23(15)	23(15)	21(14)
Work commitment	43(29)	31(21)	22(15)	26(17)	28(19)
Recognition from others	52(35)	28(19)	18(12)	25(17)	27(18)
Support from family	38(25)	30(20)	29(19)	30(20)	23(15)
Improve status	39(26)	35(23)	25(17)	27(18)	24(16)
Awareness towards public issues	30(20)	29(19)	35(23)	26(17)	30(20)
Accessibility of resources	47(31)	25(17)	28(19)	27(18)	23(15)

Source: primary data

The table-2 depicts that out of the total respondents taken for the study, 34%,31%,24%,34%,35%,29%,35%,25%,26%,20%&31% of respondents opinion is that they are always able to manage day to day activities, Improve quality of life, Increase in productivity, Enhancement of investment, Building socio economic relationship, Work commitment, Recognition from others, Support from family, Improve status, Awareness towards public issues, Accessibility of resources,13%,16%,23%,31%,20%,21%,19%,20%,23%,19%,17% of respondents opinion is often towards able to manage day to day activities, Improve quality of life, Increase in productivity, Enhancement of investment, Building socio economic relationship, Work commitment, Recognition from others, Support from family, Improve status, Awareness towards public issues& Accessibility of resources.

The table also reveals that the respondent’s opinion is sometimes towards able to manage day to day activities (23%), improve quality of life (19%), increase in productivity (17%) Enhancement of investment (15%), Building socio economic relationship (15%), Work commitment (15%), Recognition from others (12%), Support from family (19%), Improve status (17%), Awareness towards public issues (23%) & Accessibility of resources (19%).

The respondents opinion is never towards above factors 13%,17%,16%,8%,14%,19%,18%,15%,16%,20%,15% respectively.

PROBLEMS OF WOMEN TOWARDS MICROFINANCE

TABLE - 3 (Percentage are given in brackets)

Problems (Challenges) of women towards microfinance	Yes	No
Lack of knowledge	99(66)	51(34)
Inadequacy in maintaining record	82(55)	68(45)
Social pressure	89(59)	61(41)
Lack of capital	121(81)	29(19)
High interest rate	98(65)	52(35)
Difficult to avail loan	105(70)	45(30)
Less income generation	115(77)	35(23)
Price fixation	126(84)	24(16)
Inadequate legal awareness	95(63)	55(37)
Absence of subsidies	82(55)	68(45)
Lack of market knowledge	89(59)	61(41)

Source: primary data

The table-3 depicts that 66%, 55%, 59%, 81%, 65%, 70%, 77%, 84%, 63%, 55%and 59% of respondents accept that they are facing the following problems towards micro finance because of Lack of knowledge, Inadequacy in maintaining record, Social pressure, Lack of capital, High interest rate, Difficult to avail loan, Less income generation, Price fixation, Inadequate legal awareness, Absence of subsidies and Lack of market knowledge. The following respondents accept that they are not facing the problems towards micro finance because of Lack of knowledge(34%), Inadequacy in maintaining record(45%), Social pressure(41%), Lack of capital(19%), High interest rate(35%), Difficult to avail loan(30%), Less income generation(23%), Price fixation(16%), Inadequate legal awareness(37%), Absence of subsidies (45%)and Lack of market knowledge(41%).

HYPOTHESIS TESTING

The set of hypothesis is checked using chi-square. The table 4 and 5 are used to calculate chi-square test with 5% level of significance and correspondence degree of freedom.

Hypothesis 1: There is no significant relationship between Demographic variables (Age), and improve quality of life.

Hypothesis 2: There is no significant relationship between Demographic variables (Marital status), and improve quality of life.

Hypothesis 3: There is no significant relationship between Demographic variables (Educational qualification), and improve quality of life.

Hypothesis 4: There is no significant relationship between Demographic variables (Family Income), and improve quality of life.

Hypothesis 5: There is no significant relationship between Demographic variables (Family Type), and improve quality of life.

RELATIONSHIP BETWEEN DEMOGRAPHIC VARIABLES AND IMPROVE QUALITY OF LIFE

H₀: There is no significant relationship between demographic variables and improve quality of life

TABLE - 4

Demographic variables	Degree of freedom	Table value	Chi-square value	Significance
Age	12	24.05	10.133	Not Significant
Marital status	4	9.488	10.517	Not Significant
Educational qualification	12	24.05	15.849	Not Significant
Family Income	8	15.507	18.378	Significant
Family Type	4	9.488	11.621	Significant

Source: primary data

The table-5 shows that relationship between demographic variables (Age, Marital status, Educational qualification, Family Income, Family Type) and improve quality of life are independent. The calculated value for (Age, Marital status, Educational qualification & improve quality of life) is less than the table value. Hence it is concluded that framed null hypothesis is accepted.

The calculated value (18.387 & 11.621) for Family Income & Family Type is greater than the table value (15.507 & 9.488). Hence it is concluded that framed null hypothesis is rejected.

RELATIONSHIP BETWEEN PROBLEMS (CHALLENGES) OF WOMEN TOWARDS MICROFINANCE AND DEMOGRAPHIC VARIABLES

H_0 : There is no significant relationship between problems (challenges) of women towards microfinance and demographic variables. Lack of knowledge and Age, Maintaining record and Educational Qualification, Social pressure and marital Status, Less income generation and Type of Family, Inadequate legal awareness and Educational Qualification.

TABLE - 5

Problems (Challenges) of women towards microfinance	Degree of freedom	Table value	Chi-square value	Significance
Lack of knowledge and Age	3	7.815	17.9331	Significant
Maintaining record and Educational Qualification	3	7.815	11.3325	Significant
Social pressure and marital Status	1	3.841	15.2553	Significant
Less income generation and Type of Family	1	3.841	22.7762	Significant

Source: primary data

The table-5 shows that there is a significant relationship between Lack of knowledge and Age. Where calculated value (17.933) is greater than the table value (7.815). Hence we conclude that framed null hypothesis can be rejected.

Maintaining record and Educational Qualification are analyzed using 5% significance level, where calculated value (11.3325) is greater than the table value (7.815). Hence we conclude that framed null hypothesis can be rejected.

The table 5 reflects that framed null hypothesis Social pressure and marital Status, Less income generation and Type of Family, Inadequate legal awareness and Educational Qualification are rejected. Because of calculated value (15.2553 & 22.7762) is greater than the table value (3.841 & 3.841).

CO-EFFICIENT OF CORRELATION

RELATIONSHIP BETWEEN PRODUCTIVITY AND DETERMINANTS OF WOMEN EMPOWERMENT

TABLE - 6

Determinants of Women Empowerment	r value	Result
Able to manage day to day activities	0.3871	Positive
Improve quality of life	0.4937	Positive
Enhancement of investment	0.9008	Positive
Building socio economic relationship	0.7524	Positive
Work commitment	0.7213	Positive
Recognition from others	0.666	Positive
Support from family	0.827	Positive
Improve status	0.935	Positive

Source: primary data

The above table reflects value $r = 0.3871$ which indicate that there is positive correlation between productivity and Able to manage day to day activities. The increase in able to manage day to day activities will increase productivity. The both variables move in a same direction.

The table 6 shows that r value (0.4937, 0.9008, 0.7524, 0.7213, 0.666, 0.827, 0.935) is positive, which indicate that there is positive correlation between productivity and Improve quality of life, Enhancement of investment, Building socio economic relationship, Work commitment, Recognition from others, Support from family and Improve status. It shows that both variable moves in a same direction.

SUGGESTIONS

Microfinance institutions should be strengthened and should expand their support to resource poor women. Microfinance institutions should conduct proper meeting with loanies in which they must tell them about the use of loan in proper business. Women should aware about the policies of Micro enterprises, interest rate, legal issues, acquisition of new skills and knowledge about current market trend & utilize the resources properly. They should get clear idea about the work commitment & investment. It leads to improve the socio- economic relationship between the various groups. Micro enterprises should give an opportunity to women growth and development as her contribution not only develops individual but also family, village/city and also economy of nation. Women gained new skills in business management, trades and decision making while they are working with their groups. They should be assisted with financial literacy campaigns & innovative credit programmes which will helps in gathering the knowledge about financial services. It helps to increase their economic contribution not only to their households but also to communities.

CONCLUSION

Since women's empowerment is the key to socio economic development of the community; bringing women into the conventional of nation's development has been a major concern of government. Microfinance has the potential to have a powerful impact on women's empowerment. Although microfinance is not always empowering for all women, most women do experience some degree of empowerment as a result. Empowerment is a complex process of change that is experienced by all individuals somewhat differently. Although increased self-confidence does not automatically lead to empowerment, it may contribute decisively to a woman's ability and willingness to challenge the social injustices and discriminatory systems that they face. This implies that as women become financially better-off their self confidence and bargaining power within the household increases and this indirectly leads to their empowerment. Strengthening women's financial base and economic contribution to their families and communities plays a role in empowering them

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LEVEL OF AWARENESS ABOUT MUTUAL FUNDS AMONG MANAGEMENT ACADEMICIANS IN RAJASTHAN- AN EMPIRICAL STUDY

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ABSTRACT

Mutual fund is a growing investment avenue and more people are being attracted towards it. The Asset Management Companies (AMCs) are also attracting more and more clients and bring out new schemes and newer kinds of services. But the awareness of these Mutual funds is very less among the public. The present study is an effort to check the awareness among the management academicians about mutual funds, their concept and the services they provide. It studies the awareness about mutual funds among management academicians on several parameters. The study was conducted in Rajasthan and 100 questionnaires were distributed to randomly selected management academicians. The results showed a low level of awareness about mutual funds in Rajasthan among management academicians. There is a vast scope & several opportunities are available for the growth of the mutual fund industry but for that management academicians have to be well aware so that they can teach their students well as the management students are the key to disseminate the knowledge of this industry and take this industry to greater heights.

KEYWORDS

mutual fund, awareness, management, academicians.

INTRODUCTION

Mutual funds are a vehicle to mobilize money from investors, to invest in different markets and securities, in line with the investment objectives agreed upon, between the mutual fund and the investors. Their primary role is to assist investors in earning an income or building their wealth, by participating in the opportunities available in various securities and markets. In India, mutual funds are created as trusts. The investors are the beneficial owners of the investments held by the trust. The structure to be followed by mutual funds in India is laid down in SEBI (Mutual Fund) Regulations, 1996. Mutual funds in India follow a three-tier structure of sponsor, trust and asset management company (AMC).

The mutual fund industry in India has come a long way. Significant spurts in size were noticed in the late 80s, when public sector mutual funds were first permitted, and then in the mid-90s, when private sector mutual funds commenced operations. In the last few years, institutional distributors increased their focus on mutual funds. The emergence of stock exchange brokers as an additional channel of distribution, the continuing growth in convenience arising out of technological developments, and higher financial literacy in the market should drive the growth of mutual funds in future.

In India there is a vast scope for mutual fund industry. Still there are so many areas which are untapped which remains to be channelized properly. As compared to U.S.A & Europe, the mutual fund industry in India is very small. Most of the Indians still believe in putting their money into the banks rather than investing in security market and those who have little bit interest in security market just invest and trade through stock market. So, mutual fund is still a puzzle for them. They are unaware about the importance of mutual funds & how it works. Now the primary question that arises is who is going to create this awareness? Who is going to explain the people about the benefits of mutual funds? Who has to work as middlemen? The answers to all questions are management academicians. They are the persons who can guide the general public in proper manner & tell them how important it is for companies & as well as for Indian economy. They play an important role in students' lives because they give a base to their students so that they can update and educate themselves about the different aspects of the securities market. This study studies the level of awareness about mutual fund among management academicians and provides suggestions to enhance the same particularly in Rajasthan.

REVIEW OF THE LITERATURE

Luigi Guiso & Tullio Jappelli (2005) documented the lack of awareness of financial assets in the 1995 and 1998 Bank of Italy Surveys of Household Income and Wealth. They found that lack of financial awareness had important implications for understanding the stockholding puzzle and for estimating stock market participation costs. **Gordon J. Alexander, Jonathan D. Jones & Peter J. Nigro (1998)** selected 2000 mutual fund investors who purchased shares from six different distribution channels. Their survey results strongly suggest there is room for improvement in the level of financial literacy of mutual fund investors. **Money magazine & the Vanguard Funds Group (1996)** jointly conducted a 20-question survey of 1,467 mutual fund investors and found that most investors have inadequate knowledge about their mutual fund investments. **Francisco Climent & Pilar Soriano (2011)** examined the performance and risk sensitivities of US green mutual funds vis-à-vis their conventional peers. They also analyzed and compared this performance relative to other socially responsible investing (SRI) mutual funds. **Donald R. Lichtenstein, Patrick J. Kaufmann & Sanjai bhagat (1999)** drawing largely on insights from the psychology, consumer behavior, and behavioral finance literatures offered a series of hypotheses that partially account for consumer choices. They concluded with a call for increased government- and employer-sponsored education programs aimed at creating a more informed consumer investor. **Kavita Ranganathan (2006)** made an attempt to examine the related aspects of the fund selection behaviour of individual investors towards Mutual funds, in the city of Mumbai. From the researchers and academicians point of view, such a study will help in developing and expanding knowledge in this field. **Nidhi valia & Ravi kiran (2009)** concluded that financial markets were constantly becoming more efficient by providing promising solutions to the investors. Being a part of financial markets although mutual funds industry were responding very fast by understanding the dynamics of investor's perception towards rewards, still they are continuously following this race in their endeavour to differentiate their products responding to sudden changes in the economy. Thus, it was high time to understand and analyze investor's perception and expectations, and unveil some extremely valuable information to support financial decision making of mutual funds. **S. Manjesh Roy (2005)** noticed that money markets offer superior avenues for development of bulk short-term funds in terms of risk, return and liquidity. Money Market Mutual Funds make it possible for retail investors to participate in money markets. Despite the advantages, various constraints have impeded the potential of MMMFs. A lack of long-term vision on part of the mutual fund industry had resulted in low levels of retail penetration. Other structural aspects like a lack of awareness, poor infrastructure for fund transfer and regulatory restrictions had also contributed to the poor impact of MMMFs at the macro level. **Sukhiwnder kaur dhanda Dr. G.S batra & Dr. Bimal Anjum (2012)** concluded that mutual fund industry was just four decades old in India. During this short span of time it had a tremendous growth. So considering

these points their study attempted to study the performance of selected open ended schemes in terms of risk and return relationship. **Dr. Ranjit Singh Dr. Anurag Singh & Dr. H. Ramananda Singh (2011)** propounded that in the recent past the significant proportions of the investment of the urban investor's were being attracted by the mutual funds. This has led to the saturation of the market in the urban areas. In order to increase their investor base, the mutual fund companies were exploring the opportunities in small towns and sub-urban areas. But marketing the mutual funds in these areas required the positioning of the products in the minds of the investors in a different way. The product had to be acceptable to the investors, it should be affordable, should be made available to them and at the same time the investors should be aware of it. Their study dealt with all those issues. It measured the degree of influence on acceptability, affordability, availability and awareness among the small town and sub-urban investors on their investment decisions. **R.S. Meena (2011)** noticed that the financial institution gave the investment, growth and development to the business and society. The investors could grow with skills and competencies of the financial advisors and counsellors who could use their expertise to use the wealth of people with intelligent judgment and could give high returns to the people. The aim of their study was to build a strategic framework for the accurate investment of mutual funds to give high returns to their investors. **David Levin Robert F. Stambaugh & Christopher Geczy (2005)** constructed optimal portfolios of mutual funds whose objectives included socially responsible investment (SRI). Comparing portfolios of these funds to those constructed from the broader fund universe revealed the cost of imposing the SRI constraint on investors seeking the highest Sharpe ratio. This SRI cost depended crucially on the investor's views about asset pricing models and stock-picking skill by fund managers. To an investor who believes strongly in the CAPM and rules out managerial skill, i.e. a market-index investor, the cost of the SRI constraint was typically just a few basis points per month, measured in certainly-equivalent loss. To an investor who still disallows skill but instead believes to some degree in pricing models that associate higher returns with exposures to size, value, and momentum factors, the SRI constraint is much costlier, typically by at least 30 basis points per month. The SRI constraint imposes large costs on investors whose beliefs allow a substantial amount of fund-manager skill, i.e., investors who rely heavily on individual funds' track records to predict future performance. According to **Niamey (2008)** mutual funds were the biggest financial assets for many investors and were important in today's investing world. The investors could achieve their investment goals with the help of well-established mechanics of Mutual Fund's portfolio. **Erik r. Sirri & Peter Tufano (1998)** studied the flows of funds into and out of equity mutual funds. According to them consumers base their fund purchase decisions on prior performance information, but do so asymmetrically, investing disproportionately more in funds that performed very well the prior period. Search costs seem to be an important determinant of fund flows. High performance appears to be most salient for funds that exert higher marketing effort, as measured by higher fees. Flows were directly related to the size of the fund's complex as well as the current media attention it received, which lowered consumers' search costs. **Massimo Massa & Nishant Dass** studied one of the potential causes of the financial market bubble of the late 1990s: the herding behavior of mutual funds. They showed that the incentives contained in the mutual funds' advisory contracts induce managers to overcome their tendency to herd. They argued that investing in bubble stocks amounts to herding and contracts with high incentives induce managers to diverge from the herd, thus reducing their holding of bubble stocks. The differential exposure to bubble stocks significantly impacted the funds' performance both in the period prior to March 2000, as well as afterwards. **Langer (1983)** suggested that when preferences were based on choices, there was more ego involvement and attachment to them, suggesting heightened level of preference bias. This phenomenon was consistent with the prediction from Cognitive Dissonance theory of Festinger (1957). **Robert J. Shiller (1993)** reported that many investors did not have data analysis and interpretation skill as data from the market supports the merits of index investing, passive investors were more likely to base their investment choices on information received from objective or scientific sources. **Phillip (1995)** reported that there was a change in financial decision-making and investor behaviour as a result of participating in investor education programmes sponsored by employees. **Berhein and Garnette (1996)** affirmed Philip's findings and further stated that a serious national campaign to promote savings through education and information could have a measurable impact on financial behaviour. **Alexander et al., (1996)** reported that only 18.9% of respondents could provide an estimate of expenses for their largest MF holding. 57% stated that they did not know what the expenses were even at the time they made the MF purchase. This suggests insensitivity to costs and many investors did not use fund costs as an evaluative criterion in making investment decisions.

OBJECTIVES OF THE STUDY

1. To study the level of awareness about mutual fund among management teachers in Rajasthan.
2. To know their level of understanding about the security market.
3. To understand their preferences between stock market investments and mutual fund investments.

HYPOTHESIS FRAMED FOR THE STUDY

- H₁: There is no significant association between select demographic factors of the management academicians & their knowledge about security market.
- H₂: There is no significant association between select demographic factors of management academicians & their preference towards investment.
- H₃: There is no significant association between demographic factors of Management Academicians & their study habits before investing.
- H₄: There is no significant association between demographic factors and the type of investors.
- H₅: There is no significant association between demographic factors & the knowledge about regulator of the stock market.
- H₆: There is no significant association between demographic factors & their perception regarding long term investment.
- H₇: There is no significant association between demographic factors and their tracking habits after investment
- H₈: There is no significant association between demographic factors & awareness about MF terminology
- H₉: There is no significant association between demographic factors & the knowledge about the regulator of Mutual Funds.
- H₁₀: There is no significant association between demographic factors & awareness about fund objective of scheme.

RESEARCH METHODOLOGY

The following methodology was used in this study:

SAMPLING DESIGN

This research is totally done on the management teachers of Rajasthan. The data was collected from the 4 major districts of Rajasthan Udaipur, Jaipur, Kota, and Jodhpur.

SAMPLE SIZE

The total number of respondents was 100, out of which 15 respondents belong to Kota, 38 to Jaipur, 30 to Udaipur & 17 to Jodhpur.

COLLECTION OF DATA

This questionnaire consisted of 23 questions to check the awareness of management academicians towards Mutual funds.

TOOLS FOR ANALYSIS OF DATA

In this study chi-square test has been applied between various demographic factors & other aspects of research.

DATA ANALYSIS & INTERPRETATION

TABLE 1: DEMOGRAPHIC PROFILE OF THE RESPONDENTS

		Frequency	Percent
City	Udaipur	30	30.0
	Kota	15	15.0
	Jaipur	38	38.0
	Jodhpur	17	17.0
	Total	100	100.0
Gender	Male	59	59.0
	Female	41	41.0
	Total	100	100.0
Marital Status	Married	76	76.0
	Unmarried	24	24.0
	Total	100	100.0
Age group	< 30 years	34	34.0
	30-40 years	39	39.0
	40-50 years	16	16.0
	> 50 years	11	11.0
	Total	100	100.0
Qualifications	Graduate	17	17.0
	Post graduation	49	49.0
	Professional	16	16.0
	Others	18	18.0
	Total	100	100.0
Income group	< Rs 150000	3	3.0
	Rs 150000-300000	25	25.0
	Rs 300000-500000	53	53.0
	> Rs 500000	19	19.0
	Total	100	100.0

Interpretation: The table shows that of 100 respondents, 30 belong to Udaipur, 15 to Kota, 17 to Jodhpur & 38 belong to Jaipur. 59 were male & 41 female. 76 respondents were married & rest 24 unmarried. Respondents who lies in age group of less than 30 years were 34, between 30- 50 years were 55 and 11 respondents were more than 50 years of age. 49 respondents possess a PG degree while 17 respondents came under the category of graduate degree holders and 16 had done professional courses. Maximum 53 respondents earned income between 300000 to 500000 Rs. 19 respondents earned more than Rs. 500000 Rs. and rest 28 earned income less than Rs. 300000.

H₁: There is no significant association between demographic factors & knowledge about security market.

TABLE 2: DEMOGRAPHIC FACTORS & KNOWLEDGE ABOUT SECURITY MARKET

		Knowledge about security market			Total	Calculated value	df	Tabulated value	Accepted / rejected
		High	Moderate	Low					
City	Udaipur	3	27	0	30	8.793	6	12.592	Accepted
	Kota	2	11	2	15				
	jaipur	8	28	2	38				
	Jodhpur	1	16	0	17				
Total		14	82	4	100				
Gender	Male	11	47	1	59	4.224	2	5.991	accepted
	Female	3	35	3	41				
Total		14	82	4	100				
Marital Status	married	12	63	1	76	6.459	2	5.991	rejected
	Unmarried	2	19	3	24				
Total		14	82	4	100				
Age group	< 30 years	4	27	3	34	5.086	6	12.592	accepted
	30-40 years	7	32	0	39				
	40-50 years	2	13	1	16				
	> 50 years	1	10	0	11				
Total		14	82	4	100				
Qualifications	Graduate	0	16	1	17	4.476	6	12.592	accepted
	Post graduation	9	39	1	49				
	Professional	2	13	1	16				
	Others	3	14	1	18				
Total		14	82	4	100				
Income group	< Rs 150000	0	2	1	3	12.244	6	12.592	accepted
	Rs 150000-300000	1	22	2	25				
	Rs 300000-500000	9	43	1	53				
	> Rs 500000	4	15	0	19				
Total		14	82	4	100				

Interpretation: According to this table, there is no significant association between demographic factors (such as city, gender, age group, qualifications, income group) & knowledge about security market because the calculated value is less than the tabulated value. In the case of marital status there is significant association between demographic factors & knowledge about security market indicating that marital status had an impact on the knowledge about the security market.

H₂: There is no significant association between demographic factors & their preference towards investment.

TABLE 3: DEMOGRAPHIC FACTORS & THEIR PREFERENCE

		Which would you prefer the most ?			Total	calculated value	df	tabulated value	accepted/ rejected
		Stock market	Mutual Funds	Both					
City	Udaipur	10	2	18	30	4.257	6	12.592	accepted
	Kota	7	1	7	15				
	Jaipur	11	5	22	38				
	Jodhpur	7	0	10	17				
Total		35	8	57	100				
Gender	Male	12	7	40	59	14.467	2	5.991	rejected
	Female	23	1	17	41				
Total		35	8	57	100				
Marital Status	Married	23	8	45	76	4.828	2	5.991	accepted
	Unmarried	12	0	12	24				
Total		35	8	57	100				
Age group	< 30 years	14	0	20	34	9.58	6	12.592	accepted
	30-40 years	10	6	23	39				
	40-50 years	5	2	9	16				
	> 50 years	6	0	5	11				
Total		35	8	57	100				
Qualifications	Graduate	11	0	6	17	15.679	6	12.592	rejected
	Post graduation	13	4	32	49				
	Professional	7	0	9	16				
	Others	4	4	10	18				
Total		35	8	57	100				
Income group	< Rs 150000	3	0	0	3	9.639	6	12.592	accepted
	Rs 150000-300000	11	2	12	25				
	Rs 300000-500000	18	4	31	53				
	> Rs 500000	3	2	14	19				
Total		35	8	57	100				

Interpretation: According to this table, there is no significant association between demographic factors (such as city, marital status, age group, income group) & their preference because the calculated value is less than the tabulated value. In the case of gender, qualifications, there is significant association between demographic factors & their preference.

H₃: There is no significant association between demographic factors & the study habits before investing.

TABLE 4: DEMOGRAPHIC FACTORS & STUDY HABITS BEFORE INVESTING

		Do you ever study before investing in security market			Total	Calculated value	df	Tabulated value	accepted/ rejected
		Yes	No	Sometimes					
City	Udaipur	17	4	9	30	4.979	6	12.592	accepted
	Kota	8	2	5	15				
	Jaipur	29	3	6	38				
	Jodhpur	13	1	3	17				
Total		67	10	23	100				
Gender	Male	47	1	11	59	14.556	2	5.991	rejected
	Female	20	9	12	41				
Total		67	10	23	100				
Marital Status	Married	53	7	16	76	1.074	2	5.991	accepted
	Unmarried	14	3	7	24				
Total		67	10	23	100				
Age group	< 30 years	24	4	6	34	1.796	6	12.592	accepted
	30-40 years	27	3	9	39				
	40-50 years	9	2	5	16				
	> 50 years	7	1	3	11				
Total		67	10	23	100				
Qualifications	Graduate	7	3	7	17	8.905	6	12.592	accepted
	Post graduation	35	4	10	49				
	Professional	13	0	3	16				
	Others	12	3	3	18				
Total		67	10	23	100				
Income group	< Rs 150000	2	1	0	3	13.871	6	12.592	rejected
	Rs 150000-300000	11	6	8	25				
	Rs 300000-500000	39	3	11	53				
	> Rs 500000	15	0	4	19				
Total		67	10	23	100				

Interpretation: According to this table, there is no significant association between demographic factors (such as city, marital status, age group, qualifications) & study habits before investing because the calculated value is less than the tabulated value. In the case of gender, income group, there is significant association between demographic factors & study habits before investing so it indicates that gender & income group had an impact on the study habits before investing.
 H₄: There is no significant association between demographic factors and type of investors.

TABLE 5: DEMOGRAPHIC FACTORS & TYPE OF INVESTORS

		Type of investors			Total	Calculated value	df	Tabulated value	Accepted/ rejected
		Intraday	long-term	others					
City	Udaipur	1	20	9	30	2.232	6	12.592	accepted
	Kota	1	10	4	15				
	Jaipur	2	26	10	38				
	Jodhpur	0	14	3	17				
Total		4	70	26	100				
Gender	Male	4	53	2	59	39.158	2	5.991	rejected
	Female	0	17	24	41				
Total		4	70	26	100				
Marital Status	married	3	59	14	76	9.633	2	5.991	accepted
	Unmarried	1	11	12	24				
Total		4	70	26	100				
Age group	< 30 years	1	19	14	34	8.983	6	12.592	accepted
	30-40 years	3	30	6	39				
	40-50 years	0	12	4	16				
	> 50 years	0	9	2	11				
Total		4	70	26	100				
Qualifications	Graduate	0	10	7	17	8.405	6	12.592	accepted
	Post graduation	1	34	14	49				
	Professional	2	11	3	16				
	Others	1	15	2	18				
Total		4	70	26	100				
Income group	< Rs 150000	0	1	2	3	23.822	6	12.592	rejected
	Rs 150000-300000	2	9	14	25				
	Rs 300000-500000	1	43	9	53				
	> Rs 500000	1	17	1	19				
Total		4	70	26	100				

Interpretation: According to this table, there is no significant association between demographic factors (such as city, marital status, age group, qualifications) & type of investors because the calculated value is less than the tabulated value. In the case of gender, income group, there is significant association between demographic factors & type of investors so gender & income group had an impact on the type of investors.

H₅: There is no significant association between demographic factors & knowledge about regulator of stock market.

TABLE 6: DEMOGRAPHIC FACTORS & KNOWLEDGE ABOUT REGULATOR OF STOCK MARKET

		Regulator of stock market			Total	Calculated value	df	tabulated value	accepted/ rejected
		BSE	Company itself	SEBI					
City	Udaipur	1	0	29	30	8.438	6	12.592	accepted
	Kota	1	0	14	15				
	Jaipur	1	2	35	38				
	Jodhpur	3	0	14	17				
Total		6	2	92	100				
Gender	Male	3	0	56	59	3.212	2	5.991	accepted
	Female	3	2	36	41				
Total		6	2	92	100				
Marital Status	married	3	1	72	76	3.223	2	5.991	accepted
	Unmarried	3	1	20	24				
Total		6	2	92	100				
Age group	< 30 years	2	1	31	34	2.897	6	12.592	accepted
	30-40 years	1	1	37	39				
	40-50 years	2	0	14	16				
	> 50 years	1	0	10	11				
Total		6	2	92	100				
Qualifications	Graduate	2	2	13	17	13.431	6	12.592	rejected
	Post graduation	1	0	48	49				
	Professional	1	0	15	16				
	Others	2	0	16	18				
Total		6	2	92	100				
Income group	< Rs 150000	0	1	2	3	18.751	6	12.592	rejected
	Rs 150000-300000	2	1	22	25				
	Rs 300000-500000	4	0	49	53				
	> Rs 500000	0	0	19	19				
Total		6	2	92	100				

Interpretation: According to this table, there is no significant association between demographic factors (such as city, gender, marital status, age group) & knowledge about regulator of stock market because the calculated value is less than the tabulated value. In the case of qualifications, income group there is significant association between demographic factors & knowledge about regulator of stock market so qualifications & income group had an impact on knowledge about the regulator of stock market.

H₆: There is no significant association between demographic factors & their perception regarding long term investment.

TABLE 7: DEMOGRAPHIC FACTORS & THEIR PERCEPTION REGARDING LONG TERM INVESTMENT

		Perception regarding long-term investment				Total	Calculated value	df	Tabulated value	accepted/ rejected
		1-3 year	3-5 year	5-10 year	more than 10 year					
City	Udaipur	3	16	8	3	30	9.436	9	16.919	accepted
	Kota	3	6	4	2	15				
	Jaipur	4	14	10	10	38				
	Jodhpur	0	5	7	5	17				
Total		10	41	29	20	100				
Gender	Male	2	26	18	13	59	7.029	3	7.815	accepted
	Female	8	15	11	7	41				
Total		10	41	29	20	100				
Marital Status	married	6	32	24	14	76	2.619	3	7.815	accepted
	Unmarried	4	9	5	6	24				
Total		10	41	29	20	100				
Age group	< 30 years	5	12	9	8	34	9.735	9	16.919	accepted
	30-40 years	4	20	8	7	39				
	40-50 years	1	7	6	2	16				
	> 50 years	0	2	6	3	11				
Total		10	41	29	20	100				
Qualifications	Graduate	2	5	9	1	17	12.27	9	16.919	accepted
	Post graduation	4	25	9	11	49				
	Professional	2	4	7	3	16				
	Others	2	7	4	5	18				
Total		10	41	29	20	100				
Income group	< Rs 150000	2	0	1	0	3	24.564	9	16.919	rejected
	Rs 150000-300000	6	9	8	2	25				
	Rs 300000-500000	2	25	14	12	53				
	> Rs 500000	0	7	6	6	19				
Total		10	41	29	20	100				

Interpretation: We find no significant association between demographic factors (such as city, gender, marital status, age group, qualifications) & their perception regarding long-term investment because the calculated value is less than the tabulated value. In the case of income group there is significant association between demographic factors & their perception regarding long-term investment so it indicates that level of income of respondents has a significant impact on the perception regarding long term investment.

H₇: There is no significant association between demographic factors and their tracking habits after investment

TABLE 8: DEMOGRAPHIC FACTORS & TRACKING THE STOCKS AFTER INVESTMENT

		Track the stock after investment				Total	Calculated value	df	Tabulated value	accepted/ rejected
		regularly	quite often	rarely	never					
City	Udaipur	15	7	3	5	30	7.651	9	16.919	accepted
	Kota	5	7	2	1	15				
	Jaipur	17	17	3	1	38				
	Jodhpur	7	7	1	2	17				
Total		44	38	9	9	100				
Gender	Male	32	25	2	0	59	22.135	3	7.815	rejected
	Female	12	13	7	9	41				
Total		44	38	9	9	100				
Marital Status	Married	34	31	5	6	76	3.18	3	7.815	accepted
	Unmarried	10	7	4	3	24				
Total		44	38	9	9	100				
Age group	< 30 years	14	14	4	2	34	4.039	9	16.919	accepted
	30-40 years	18	14	3	4	39				
	40-50 years	8	5	2	1	16				
	> 50 years	4	5	0	2	11				
Total		44	38	9	9	100				
Qualifications	Graduate	3	9	1	4	17	14.271	9	16.919	accepted
	Post graduation	23	16	7	3	49				
	Professional	9	6	1	0	16				
	Others	9	7	0	2	18				
Total		44	38	9	9	100				
Income group	< Rs 150000	1	0	1	1	3	12.081	9	16.919	accepted
	Rs 150000-300000	8	9	4	4	25				
	Rs 300000-500000	25	21	4	3	53				
	> Rs 500000	10	8	0	1	19				
Total		44	38	9	9	100				

Interpretation: According to this table, there is no significant association between all the demographic factors & tracking stocks after investment other than gender as in the case of gender, the calculated value is more than tabulated value.

H₈: There is no significant association between demographic factors & awareness about MF terminology

TABLE 9: DEMOGRAPHIC FACTORS & AWARENESS ABOUT MF TERMINOLOGY

		Awareness about mutual fund terminology				Total	Calculated value	df	Tabulated value	accepted/ rejected
		0	completely aware	moderately aware	slightly aware					
City	Udaipur	10	8	9	3	30	11.617	9	16.919	accepted
	Kota	7	4	2	2	15				
	Jaipur	12	9	17	0	38				
	Jodhpur	7	1	8	1	17				
Total		36	22	36	6	100				
Gender	Male	13	19	22	5	59	16.142	3	7.815	rejected
	Female	23	3	14	1	41				
Total		36	22	36	6	100				
Marital Status	married	24	21	26	5	76	6.743	3	7.815	accepted
	Unmarried	12	1	10	1	24				
Total		36	22	36	6	100				
Age group	< 30 years	14	2	17	1	34	21.297	9	16.919	rejected
	30-40 years	10	17	9	3	39				
	40-50 years	6	2	7	1	16				
	> 50 years	6	1	3	1	11				
Total		36	22	36	6	100				
Qualifications	Graduate	11	1	4	1	17	12.829	9	16.919	accepted
	Post graduation	13	15	18	3	49				
	Professional	7	2	7	0	16				
	Others	5	4	7	2	18				
Total		36	22	36	6	100				
Income group	< Rs 150000	3	0	0	0	3	10.178	9	16.919	accepted
	Rs 150000-300000	11	5	8	1	25				
	Rs 300000-500000	19	12	18	4	53				
	> Rs 500000	3	5	10	1	19				
Total		36	22	36	6	100				

Interpretation: According to this table, there is no significant association between demographic factors (such as city, marital status, qualifications, income group) & awareness about MF terminology because the calculated value is less than the tabulated value. In the case of gender & age group there is significant association between demographic factors & awareness about MF terminology. It indicates that gender & age had an impact on the level of awareness about mutual fund. The responses in the column marked 0 represent that the respondents are not interested in mutual funds and invest or prefer only the stock markets.

H₉: There is no significant association between demographic factors & knowledge about regulator of MF.

TABLE 10: DEMOGRAPHIC FACTORS & KNOWLEDGE ABOUT REGULATOR OF MF

City		Regulator of mutual fund					Total	Calculated value	df	Tabulated value	accepted/ rejected
		0	sebi	amfi	sebi-amfi	sebi-rbi					
	Udaipur	10	4	6	8	2	30	2.511	12	21.026	accepted
	Kota	7	2	2	3	1	15				
	Jaipur	12	5	9	9	3	38				
	Jodhpur	7	3	2	4	1	17				
Total		36	14	19	24	7	100				
Gender	Male	13	9	12	21	4	59	16.163	4	9.488	rejected
	Female	23	5	7	3	3	41				
Total		36	14	19	24	7	100				
Marital Status	married	24	12	12	21	7	76	8.112	4	9.488	accepted
	Unmarried	12	2	7	3	0	24				
Total		36	14	19	24	7	100				
Age group	< 30 years	14	3	9	6	2	34	10.148	12	21.026	accepted
	30-40 years	10	7	7	12	3	39				
	40-50 years	6	4	2	3	1	16				
	> 50 years	6	0	1	3	1	11				
Total		36	14	19	24	7	100				
Qualifications	Graduate	11	1	0	5	0	17	16.613	12	21.026	accepted
	Post graduation	13	7	12	11	6	49				
	Professional	7	2	4	3	0	16				
	Others	5	4	3	5	1	18				
Total		36	14	19	24	7	100				
Income group	< Rs 150000	3	0	0	0	0	3	20.618	12	21.026	accepted
	Rs 150000-300000	11	2	8	4	0	25				
	Rs 300000-500000	19	7	10	13	4	53				
	> Rs 500000	3	5	1	7	3	19				
Total		36	14	19	24	7	100				

Interpretation: According to this table, there is no significant association between all the demographic factors & knowledge about regulator of MF. Except gender, as in the case of gender calculated value is more than tabulated value. The responses in the column marked 0 represent that the respondents are not interested in mutual funds and invest or prefer only the stock markets.

H₁₀: There is no significant association between demographic factors & awareness about fund objective of scheme.

TABLE 11: DEMOGRAPHIC FACTORS & AWARENESS ABOUT FUND OBJECTIVE OF SCHEME

		Awareness about fund objective of scheme					Total	Calculated value	df	Tabulated value	accepted/rejected
		0	completely aware	moderately aware	slightly aware	not aware					
City	Udaipur	10	4	7	9	0	30	13.8	12	21.026	accepted
	Kota	7	4	3	1	0	15				
	Jaipur	12	11	10	4	1	38				
	Jodhpur	7	1	7	2	0	17				
Total		36	20	27	16	1	100				
Gender	Male	13	16	21	8	1	59	16.609	4	9.488	rejected
	Female	23	4	6	8	0	41				
Total		36	20	27	16	1	100				
Marital Status	married	24	20	20	11	1	76	8.867	4	9.488	accepted
	Unmarried	12	0	7	5	0	24				
Total		36	20	27	16	1	100				
Age group	< 30 years	14	1	11	8	0	34	22.446	12	21.026	rejected
	30-40 years	10	14	9	6	0	39				
	40-50 years	6	2	5	2	1	16				
	> 50 years	6	3	2	0	0	11				
Total		36	20	27	16	1	100				
Qualifications	Graduate	11	2	4	0	0	17	18.545	12	21.026	accepted
	Post graduation	13	12	13	10	1	49				
	Professional	7	2	2	5	0	16				
	Others	5	4	8	1	0	18				
Total		36	20	27	16	1	100				
Income group	< Rs 150000	3	0	0	0	0	3	21.311	12	21.026	rejected
	Rs 150000-300000	11	3	7	4	0	25				
	Rs 300000-500000	19	11	10	12	1	53				
	> Rs 500000	3	6	10	0	0	19				
Total		36	20	27	16	1	100				

Interpretation: According to this table, there is no significant association between demographic factors (such as city, marital status, qualifications) & awareness about fund objective of scheme because the calculated value is less than the tabulated value. In the case of gender, age group & income group there is significant association between demographic factors & awareness about fund objective of scheme. It indicates that gender, age & level of income had significant impact on the level of awareness about fund objective scheme.

CONCLUSIONS

Through the study it is found that there is a significant need for creating awareness towards security market with respect to city, gender, age group, qualifications & income group. The level of awareness towards the preference of mutual fund among management academicians is very low across demographics. They do not do any kind of study before investing. The awareness towards the regulators, terminologies, Fund Management Schemes is also not there. Hence there is a significant need to create awareness through workshops, seminars and other methods so that this investment avenue can get a better philip.

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ABSTRACT

This paper examines some of the parallels between vedantic degrees of consciousness and leadership styles at work place for such consciousness, and how it works in sync with the organizational culture. Leadership has been described as the "process of social influence in which one person can enlist the aid and support of others in the accomplishment of a common task". Management styles are characteristic ways of making decisions and relating to subordinates. Style of leadership is dependent upon the prevailing circumstance; therefore leaders should exercise a range of management styles and should deploy them as appropriate. Every company has its own "personality" or culture or internal capabilities shaped by management heritage or style. For an organization to be successful over the long term, its culture needs to be managed effectively through management style.

KEYWORDS

human Element, Leadership Style, Living Company, Management Style, Organizational Culture.

INTRODUCTION

Questions to ponder-What makes a good leader or manager? How leadership and management styles work hands-on with the organizational culture? This work synthesizes 21st century techniques and speaks about Leadership styles that should be adopted that meets the need of the moment. Good and bad management style heritage practices through centralized and decentralized combination shape the culture of organization. Internal capabilities or culture shaped by management style gives rise to strategic tasks.

LEADERSHIP

A manager or supervisor can create the type of environment through expectations, responsibility and feedback that develops employees into self starters.

LEADERSHIP STYLE

Leaders or Coach should find one flying speck or the strength that the individual or group harnesses from inception. Making it the strength to drive them towards the goal.

DIRECTION

In direction style of leadership there is centralized power and decision making. It requires close supervision and control. It disciplines through rewards and punishments. It involves the leadership style through one-way communication. It involves total dependence of subordinates on supervisors. It depends on leaders for everything.

ATTRACTION

It involves a type of leadership style where there is "Reward Motive" or "Fruitive Intent" on part of subordinate.

AFFILIATIVE

This kind of leadership style represents the collaborative competence in action.

This kind of leadership style promotes harmony, fostering friendly interaction, nurturing personal relationships, that expand the connective tissue with the people they lead. This kind of leadership style focuses on emotional need of employees even over work goals.

This focus makes empathy the ability to sense the feelings, needs, and perspectives of others another fundamental competence here.

This kind of leadership help in writing together diverse or ever conflicting individuals into a harmonious working group.

DELEGATION/PACE-SETTING

The leader holds and exemplifies high standards for performance. He is obsessive about doing things better and faster and asks the same of everyone. He quickly pinpoints poor performers, demands more from them.

The achievement competence means pace setting leaders strive to learn new approaches that will raise their own performance and that of those they lead.

It also means these leaders are motivated not by external rewards such as money or title but rather by a strong need to meet their own high standards of excellence. These kind of leaders trust peoples of their capability and delegate.

VISIONARY

With the visionary at the helm, the company's emotional climate changes to reflect his/her passion and commitment, as he/she sets the tone for entire company, with the following agenda/accord/protocols (modus operandi).

1. Continually remind people of larger purpose of work.
2. Visionary lends a grand meaning to otherwise workday mundane tasks.
3. Workers understand the shared objectives as being in sync with their own best interest.
4. The result: inspired and improved work.
5. A standard performance feedback that revolves around the vision.
6. Help people to see how their work fits into the big picture, lending people a clean sense not just that what they do matters but also why.
7. Visionary leader articulate where a group is going but not how it will get there-setting people free to innovate, experiment, and take calculated risks.
8. Sense that everyone is working towards shared goals, builds team commitment: people feel pride in belonging to their organization.

DIFFERENT MIX OF LEADERSHIP STYLES

1. For different individuals different leadership styles to approach/apply.
2. For different groups different leadership styles to approach/apply.
3. For different situations (individuals/groups/backgrounds) different leadership styles to approach/apply.
4. For same individual/group/situation :
 - Different temporal leadership styles to approach in time gaps.

N.B.- Here gaps means achieving competence of leadership styles w.r.t individual/group/situation with time period.

- Different spatial leadership styles in space gaps.

N.B.- Here Space gaps means achieving increased multi task/ competence of leadership styles w.r.t. multi-skilling spatial distribution of leadership styles.

5. Holistic and sustainable leadership: A perfect blend of appropriate leadership style based upon individuals, groups, situations and backgrounds.

- Temporal leadership style: initial entry level job in sales requires motivation, coaching and direction from supervisor but after a time period they achieve flair for sales and become team players in which case they would require affiliative style of leadership.

- Spatial leadership style: a person doing multiskilling in achieving sales and leading a team has to be coached/ motivated for achieving individual and term sales target as well as delegated work to lead the team and maintain the team talent inventory.

INTERPRETATION FROM VEDANTA OF HINDUISM IN CONTEXT TO MANAGEMENT / LEADERSHIP STYLES

There are five kinds of persons with different degrees of consciousness or life particle. The human activities are carried out by the will of the conscious life particle which is then translated through the intelligence and mind to the human body, ultimately projecting the decision making level of the individual. There is a gradual, evolution of consciousness passing from a less conscious state to a higher conscious state according to the subtle laws of Karma. The 21st century management leadership styles approach match parallel with vedantic degrees of consciousness classification of five kinds of persons to be managed at the work place.

TABLE 1: KINDS OF PERSONS / CONSCIOUSNESS / DECISION MAKING

Sl. No.	Vedantic parlance	Contextual management leadership Parllance	Traits
1.	Fully Bloomed	Star	Visionary, change, agent, goal oriented, performance driven, respect all human being not deviated by catastrophes, understand the practical Reality of doing business, wealth creators.
2.	Blooming	Pure Goodness	Conscious, Emotional neutral, leadership attributes, believe in human element, fun loving, independently handle profit centres.
3.	Budding	Goodness	Believes in equity, hard skinned inside and outside, Revenue oriented, logical and reasoning attitude, ethical, duty driven judgmental, decisive, work oriented, Not affected by failure, innate motivation, positive thinking, creative, innovators.
4.	Shrunken	Awakening	(Negative thoughts) Indecisive/ lack of emotional intelligence, attitude to share knowledge, unethical, put forth individual interest to group interest, only motivated by rewards, bad team worker, brings only unstable temporary results, cannot do troublesome works.
5.	Covered	Ignorance	Illogical, ignorance, lives in darkness, confused, fearful, inertia, requires work supervision no trust or faithfulness, require training and development, produce imperfect products, lamentous requires guidance and direction requires and supervision.

Source: Adapted from A.C Bhaktivedanta Swami Prabhupada, "The vedic philosophy for students"-characteristic of modes of nature, (Mumbai:Sri Sri Sitaram Seva Trust,2001)Appendix1;Arindam chaudhari, "count your chickens before they hatch", (New Delhi:Vikas,2001) pp 155-165,

TABLE 2: DNA ATTRIBUTES OF EMPLOYEES

Sl. No.	Traits	Covered	Shrunken	Budding	Blooming	Fully bloomed
1.	One flying speck or DNA Attribute	Work faithlessly, improperly, does not know why will work, or for what I will work confused on reality of business	Works only for fruitive results (Reward motive) objective seeker	Work is considered with a sense of duty	Work is performance oriented	Visionary, vision oriented ,vision sharing

Source: Adapted from A.C Bhaktivedanta Swami Prabhupada, "The vedic philosophy for students"-characteristic of modes of nature, (Mumbai:Sri Sri Sitaram Seva Trust,2001)Appendix1;Arindam chaudhari, "count your chickens before they hatch", (New Delhi:Vikas,2001) pp 140-192,

TABLE 3: EMPLOYEE GROUP CONSCIOUSNESS AND LEADERSHIP STYLE

Sl. No.	Traits	Covered	Shrunken	Budding	Blooming	Fully bloomed
1.	Situation / employee / group / group consciousness	Asks for excuses / procrastination , employees lack responsibility, right attitude, need careful supervision	Employees attracted towards fruit or reward, only work for fruitive results, reward motive	No expectation of reward, goal-seekers / employees need recognition , making them feel part of organization, used to lighten team harmony increase morale, improve communication or repair broken trust in an organization	Highly ethical, employee are self motivated, highly competent, need little direction	Workers understand the shared objectives being in sync with their own best interest during a turnaround
2.	Management or leadership style at work place	Direction / command / coach	Reward / Attraction	Association / Affiliation / Participation / Democracy	Delegation / pace setting	Visionary /transformational

Source: Adapted from A.C Bhaktivedanta Swami Prabhupada, "The vedic philosophy for students"-characteristic of modes of nature, (Mumbai:Sri Sri Sitaram Seva Trust,2001)Appendix1;Arindam chaudhari, "count your chickens before they hatch", (New Delhi:Vikas,2001) pp 170-175,

CONSCIOUSNESS

1. In same individual there is variance of consciousness (temporal and spatial).
2. In different individuals there is different consciousness.
3. On earth living and non-living matter include- stone (consciousness is latent), plants; (consciousness is wakes up) animals (consciousness walks) and human being (consciousness runs).
4. Each category belongs to same group soul (e.g. droplets of water from the same bucket of water).
5. As per the subtle laws and cycle of karma-any lower category group soul may be prominently expressed in any human being.

TABLE 4: LEADERSHIP STYLES IN SYNC WITH ORGANISATIONAL CULTURE

Sl. No.	Traits	Covered	Shrunkened	Budding	Blooming	Fully bloomed
1.	One flying speck or DNA Attribute of employee	Work faithfully, improperly does not know why will work, or for what I will work confused on reality of business	Works only for fruitive results (Reward motive) objective seeker	Work is considered with a sense of duty	Work is performance oriented	Visionary, vision oriented ,vision sharing
2.	Corporate culture	Ignorant culture	Fruitive culture	Sense of duty culture	Performance oriented culture	Vision sharing culture
3.	Appropriate leadership style	Leadership by direction or command	Attraction / Reward	Affiliative / participation	Delegation	Leadership by vision

Source: Adapted from A.C Bhaktivedanta Swami Prabhupada, "The vedic philosophy for students"-characteristic of modes of nature,(Mumbai:Sri Sri Sitaram Seva Trust,2001)Appendix1;Arindam chaudhari, "count your chickens before they hatch", (New Delhi:Vikas,2001) pp 155-165,

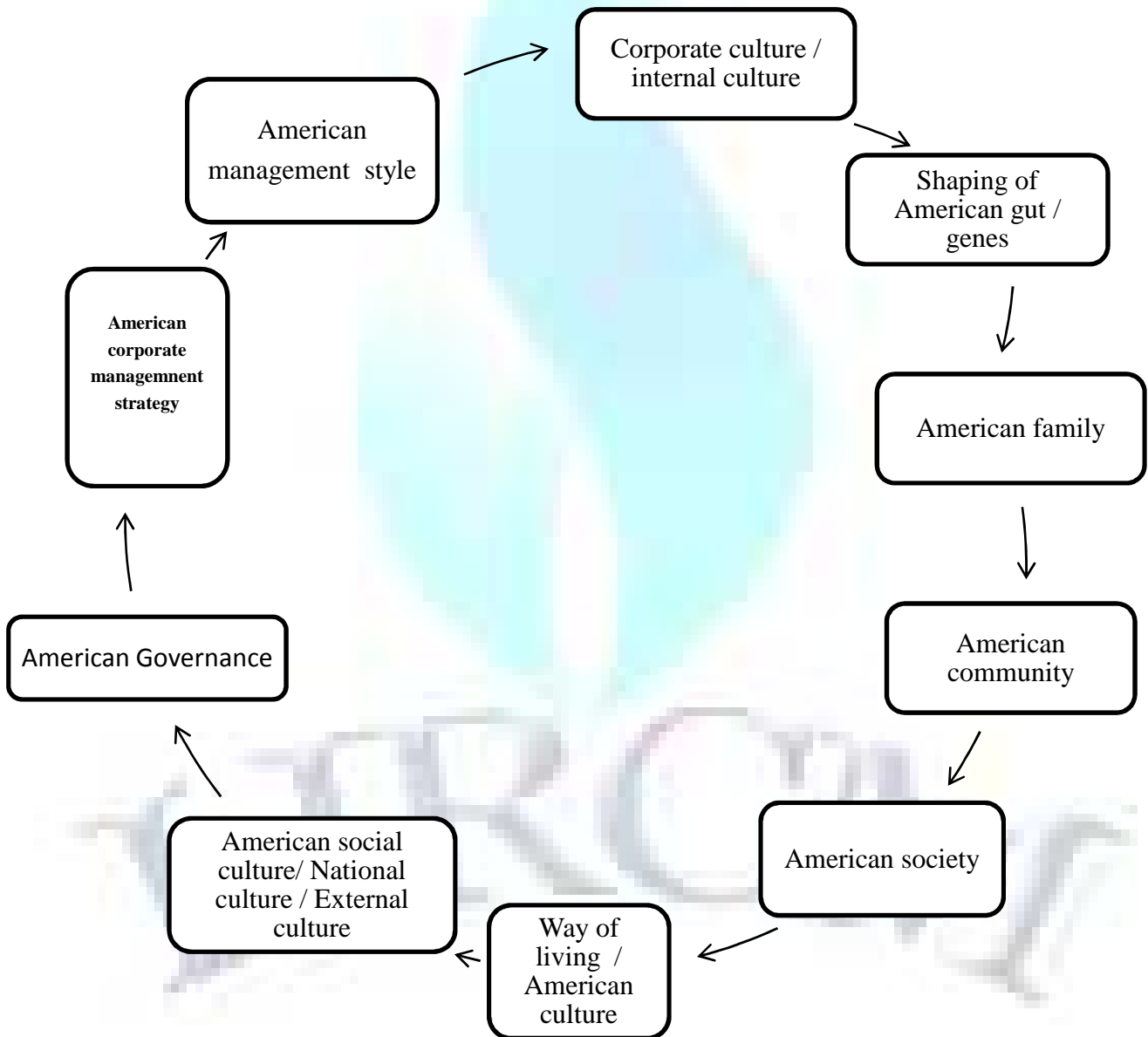
MANAGEMENT STYLE IN SYNC WITH ORGANISATIONAL CULTURE

Every company has its own "personality" or culture or internal capabilities shaped by management heritage or style giving rise to strategic tasks.

AMERICAN MANAGEMENT STYLE

From "Hire and Fire" Management Style they are hugging to the concept of "Living Company" and "Human Element" Concern Management Style. The American Culture can be otherwise depicted as "Can-do" Culture or "Self-Reliant" Culture.

FIG. 1: FLOW CHART DEPICTS THE SHAPING OF GUT FOR THE FORMATION OF AMERICAN MANAGEMENT STYLE CARRIED BY THE CORPORATE CULTURE VEHICLE



Source: Adapted from Arindam chaudhari, "count your chickens before they hatch", (New Delhi:Vikas,2001) pp 110-138,

AMERICAN CULTURE

- The strengths of American culture are stress or endurance, individual achievement, success efficiency hard work, progress, material comfort.
- People bring culture what they have learnt from other companies.
- Culture in a small business starts with the values of the owners. Each decision she makes each action she takes shapes the culture of her business. Overtime her values will become part of the shared understanding of "how business is done around here".

Children love their parent without reserve. Their unqualified love is as much in parents faces as their innocent expectation that parents will love them as fully in returns. In any family the possibility is for father and mother to blend their unique perspectives to the benefit of all.

GENETECH AND GOOGLE BOARD SYSTEM OF MANAGEMENT IN CONTEXT TO CULTURE

What draws people to both companies is the environment one where they have an ability to pursue things largely on their own terms.

They (Google) emphasize an atmosphere of creativity and challenge. They want a flat organization, a lack of hierarchy a collaborative environment. Google wants all its employees to play a part in being involved in keeping (our) its culture the way it is today but also growing and developing it.

Google has been challenged to transplant its California-born culture to other cultures. The work-environment has lava lamps, beanbag chairs, massage chairs as well as play areas with foosball and billiards interspersed with powerful computer workstations i.e. you are in googolplex.

In its research centre in Bangalore, India, there is strong evidence that its unique culture has been transferred, but there is also evidence that it has been influenced by the culture of India as well.

Google's rigorous hiring practices have helped to ensure that it brings new employees into the Google fold who are not only highly qualified to make a contribution to Google product development and services but also that they will be a good fit for the Google culture. "Google is embracing to the concept of living company".

APPLE SYSTEM OF MANAGEMENT IN CONTEXT TO CULTURE

What's the difference between Apple and the Cub Scouts? The Cub Scouts have adult supervision-Guy Kawasaki, quoted in Apple, 1998.

While the founder's are inextricably associated with the success of Apple, the company was famous for its team philosophy in which many people contributed to the overall success of a project. With the exception of the top management, Apple was very horizontal in its hierarchy. Software and Hardware Engineers worked together with interface designers, marketing and documentation personnel to build a complete product.

Apple changed the traditional organizational hierarchy from tall to very flat.

Each January Apple does a Macworld Expo. The event is huge for Apple's employees because it's the culmination of a 12-month, highly secretive, product development cycle since the last Expo. Employees can finally breathe a sigh of relief after shipping their product many take extended vacations as soon as the show is over.

GENERAL ELECTRIC SYSTEM OF MANAGEMENT IN CONTEXT TO CULTURE

"The people factory"- In GE everyday there's an informal, unspoken personnel review, in the lunchroom, the hall ways and in every business meeting. That intense people focused-testing everyone in a myriad of environment defines managing at GE. In the end that's what GE is.

At GE they build great people, who then build great products and services. In manufacturing they try to stamp out variance. With people, variance is everything.

Differentiation is not easy- finding a way to differentiate people across a large company has been one of the hardest things to do. Over the years they have used all kinds of bell curves and block charts to differentiate talent. These are all grids that attempt to rank performance and potential (high, medium and low).

They also led the change into "360-degree evaluations" which take into account the views of peers and subordinates.

They found out one better way to evaluate the organization, they called it vitality curves. Every year, they would ask each of GE's businesses to rank all of their top executives. The basic concept was they forced their business leaders to differentiate their leadership. They had to identify the people in their organizations that they consider in the top 20%, the vital middle 70% and finally the bottom 10%. If there were 20 people on the management staff they wanted to know the four in the top 20 and the two in the bottom 10, by name position and compensation. The underperformers generally had to go.

INDIAN MANAGEMENT STYLE

INDIAN CULTURE

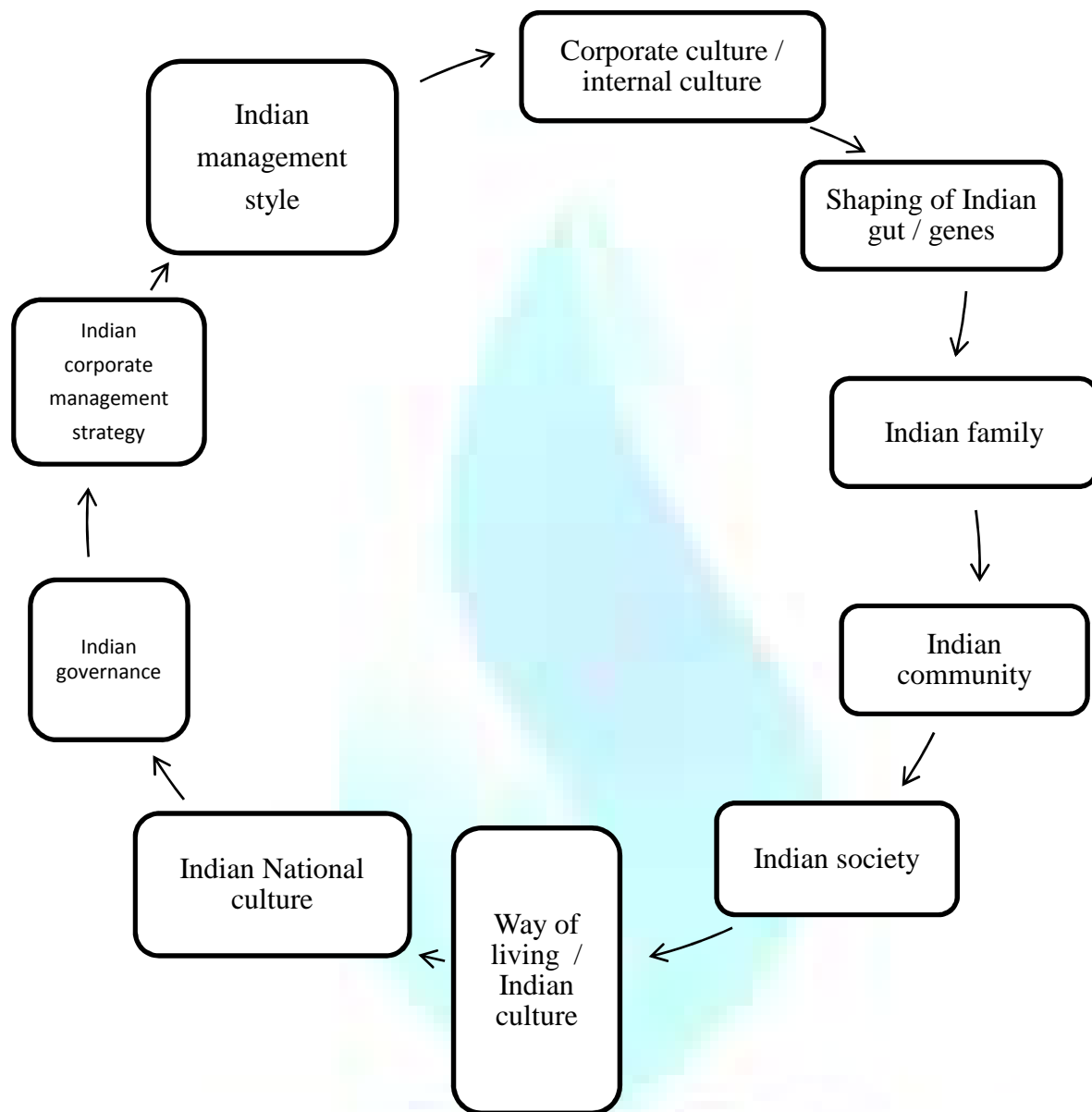
It depicts "we culture", in India joining an organization is similar to strong marriage, institution, we grow old with an organization we brand ourselves.

Indian culture emphasizes on peace, harmony, truth, spirituality, forgiveness service etc.

In Indian culture you will find joint and nuclear families, elderly people are taken care of, fine weaving bond in the family, and values non-violence, truth, peace, love and right action.

The Indian marriage institution is strong. Parents stress their children high on imbibing moral values i.e. keeping ideals at poetic height and trying to attract realities of life up towards them. Children are raised with emotional support and stability. Initiatives are taken to make primary education compulsory. Most Indians value emotional bonds and long term relationships. Most Indians value commitment.

FIG 2: FLOW CHART DEPICTS THE SHAPING OF GUT FOR THE FORMATION OF INDIAN MANAGEMENT STYLE CARRIED BY THE CORPORATE CULTURE VEHICLE



Source: Adapted from Arindam chaudhari, "count your chickens before they hatch", (New Delhi: Vikas, 2001) pp 110-138,

INDIAN IT INDUSTRY SYSTEM OF MANAGEMENT IN CONTEXT TO CULTURE

To counter the high levels of attrition and stress, IT companies have put in place a variety of employee-friendly policies. The physical environment in most software companies is equal to that found in any American or European office, salaries are much higher than in other sectors, and employees are offered a variety of attractive incentives, from employee stock options to subsidized housing loans. A range of HR (Human Resources) practices designed to create employee loyalty include social events such as team picnics and dinners in five-star hotels, subsidized gym memberships, recreational facilities in the office, yoga and aerobics classes, and so on. As one informant put it, HR departments go to great lengths to "keep the atmosphere happy". 'Employee-friendly' HR policies are part of a larger strategy of creating a strong corporate culture, and are aimed at attracting, retaining and motivating employees. Some companies have created such a strong 'brand value' in terms of employee relations that they are considered to be the most desirable employers, even if they offer lower salaries than other companies. These 'soft' HR policies provide some balance to the systems of direct control described in the previous section.

In addition, some software companies in Bangalore have acquired, or are attempting to get, PCMM certification, which is the equivalent to CMM in the area of people management. PCMM certification presumably means that they are following very enlightened HR policies and practices.

MARRIOTT INDIA SYSTEM OF MANAGEMENT IN CONTEXT TO CULTURE

Marriott has carved a number in great places to work because of these reasons:

1. A strong Brand

Marriott International does not own the hotels it operates. It owns the brands and runs the management. In this sense it is a true professional services firm.

2. True Empowerment

Empowerment is the cornerstone of "the Marriott way." Marriott has numerous examples of how their Associates feel empowered. Employees decide when to give a fruit basket or other complimentary items to guests. There is a high degree of pride in the unique relationships they form with their guests. In the employee website, as well as, the company website you will find a number of stories of exemplary behaviour of Associates.

3. Guarantee of fair treatment

Marriott employees feel empowered because they know that fair treatment is a cornerstone of the Organisation's philosophy. Each manager has to give an undertaking of fair treatment. There is a process of escalation of employee grievances (Speak Out process), right up to him.

4. Communication

If fairness ensures that employees are not penalised for doing the right thing, communication processes are what ensures that employees know what the right thing is. Marriott is the only hotel which has a daily newspaper, called the Daily Packet. The Daily Packet is a communication tool which comprises of the Hospitality Basic of the Day, Events for the day, Daily Birthdays, Special guest recognition of associate efforts, HR eye opener for the day, Daily occupancy rate, etc.

CLASSIC STRIPES SYSTEM OF MANAGEMENT IN CONTEXT TO CULTURE**CLASSIC STRIPES HAVE ETCHED THE IMPRINTS IN GREAT PLACES TO WORK DUE TO THESE FOUNDING PRINCIPLES**

1. Wealth creation is for everyone, not just the owner.

Classic Stripes has a profit sharing scheme for everyone. The bonus which started at 8.33 per cent of salary keeps on increasing every year and is currently at 14 per cent. Employees with more than 5 years service gets Rs.25000 and keeps on getting it every year after completing 5 years. Average salary of a worker will be Rs. 20,000 per month in their factory. Compensation in Classic Stripes is impacted by their profitability, not by industry benchmarks.

2. Quality at source, not at inspection

Kishore Musale, the founder keeps giving the example of Sony which has no formal inspection for quality because of the belief that quality is produced at source. Regardless of volumes, Kishore is relentless about being number one in the world in quality.

3. No labour unions

Kishore, is the union leader! When the bonus was the statutory minimum of 8.33 per cent Kishore challenged it. Today it is more than 14 per cent. A year ago, on achieving targets, each employee received a motor cycle (scooters for women). Employees in Classic Stripes talk about the Chairman & Managing Director at the slightest opportunity. Whether it is visiting an employee for his daughter's wedding in a rural district in Maharashtra, or skipping a ceremony at home during *Bhai Dooj* to go for *Griha Pravesh* ceremony of an employee who bought a flat, there are hundreds of instances of Kishore attending to personal requests of employees.

4. Adherence to values

Kishore, has no pretensions of being a management guru. However, he is a role model in honesty, integrity and ethics. In an era where it was common for businessmen to take out funds from their Organisations, Kishore has been an exception. His employees trust him, as is obvious from their comments. It is only recently that Kishore and his team have come up with their Vision, Mission and values. Trust is a mutual process at Classic Stripes. During the last floods in Mumbai, the Company put up a notice for all employees stating that it will reimburse all losses that employees may have suffered due to the floods.

5. We are a family

"In our organization, our family members are also given importance. For example, the company regularly organizes family get togethers, picnics, and drawing competitions for children." The above employee comment indicates why Classic Stripes' employee turnover is still in single digit. The concept of family extends beyond employees. The Kishore Musale Charitable Trust works with 200 schools and subsidises the education of 25,000 children.

CONCLUSION

Faced with the strategic tasks like reducing manufacturing costs, procuring efficient low cost raw material, efficient and effective factory and machinery establishment and installation, side by side sophistication, the ability to respond to these tasks with bravado is usually constrained by their internal capabilities or culture, which are shaped by company's both good and bad management styles and practices through centralized and decentralized combination.

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A CRITICAL – ANALYTICAL STUDY OF THE BUSINESS STUDIES TEXT BOOK PRESCRIBED AT THE HIGHER SECONDARY CLASS OF KERALA STATE

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ABSTRACT

Here the investigator studied about the business studies textbook at the higher secondary class of Kerala state based on certain objectives. The problem stated as "A critical-analytical study of the business studies textbook prescribed at the higher secondary class of Kerala state" conducted through document analysis and a survey method for obtaining the objectives. To critically examine the business studies textbook mentioned, based on certain dimensions such as objectives, content, curriculum transaction, and evaluation and also derive creative suggestions from the subject experts for the improvement of the existing business studies textbook at plus-two level. The survey conducted among 48 higher secondary school teachers and data collected from using questionnaires. The data critically analysed by the statistical techniques computation of percentage. The investigator found important findings based on objectives and derived suggestions from the expert teachers in the field of business studies teaching.

KEYWORDS

business studies text book, secondary classes, Kerala.

INTRODUCTION

Education is an integral part of human life. It is the basic condition for the development of the "whole man" and vital instrument for accelerating the well-being of all in every direction. The meaning of education is dynamic in nature. In a broad sense, education is life and life is education. Through education, we have to provide real and concrete life situation and experiences to enable the individual to lead a good and effective life.

Education is the process that imparts, improves or charges the information, knowledge, understanding, attitudes, practice, and skill and so on of the people for their effective performance in life as individuals and as member of the family, society, nation and the world. Education has considered as a natural process. The process of education of human being starts when he is in the womb of his mother. Through education, man gets acquaintance with the accumulated experience of human life. These experiences provide proper solutions for solving the problem of life.

Education has given a high priority in our constitution. The Article 45 of the Indian constitution states, "the state shall endeavour to provide within a period of 10 years from the commencement of this constitution for free and compulsory education for all children until they complete the age of fourteen years". Today education has undergone multifaceted growth and progress.

For imparting education textbook has a vital source of material than any other materials. According to Francis Bacon (1561-1625), an English philosopher a textbook is "a book designed for classroom use, carefully prepared by experts in the field and equipped with the usual teaching devices". In the words of J.A Lauwerys and H.C.Barnard authors of a handbook of British Educational Terms (1963), "a text book is a book prepared specially to assist learners in mastering a subject or a part of a subject".

The criterion of a good textbook deals with certain important points such as attractiveness, title, author, recency, language, content, teaching procedures, kinds and number of questions and illustrations. Here the business studies textbook place an important role as an integral source material in higher secondary classes for dealing commerce education.

Trade, commerce and industry constitute a vital part of our life's activities. The aspects of our life's experience are extremely important and if we despaired these, all our educational effort will be fruitless toil. The explosion of information science and technology has influenced every area of life including business and commerce. The use computers and management technique of behavioural science have completely revolutionised the running of modern business and commerce enterprises. It therefore has become very necessary to pay adequate attention to business and commerce education.

The New Economic Policy has brought about a sea change in the Indian economy. The LPG (Liberalisation, Privatisation and Globalisation) process has drastically changed the situation in the business world of course; changes are very common in the business world as this field is highly sensitive to various situations. This ever-changing phenomenon of business world has posed varieties of challenges to business education. The main task of Business education is therefore to make students fit to face the challenges of ever-changing business environment. Thus, business education and commerce education become an important part of higher secondary school curriculum.

Business studies is one of the major areas of study for higher secondary commerce course. It has enabled the elementary business education as subject of business to carve out a place for itself at the higher secondary stage. The textbook is an important source of information to the students. Therefore, the textbook of business studies must follow new trends and practices in commerce education. The investigator conducted a thorough analysis of prescribed text book of business studies in the plus two commerce class under the components of objectivity, content, curriculum transaction, evaluation, and teacher training etc.

REVIEW OF RELATED LITERATURE

Review of related literature is an important aspect of any research report. Every research project based on all of the relevant thinking and researches preceded it. When completed, it becomes a part of the accumulated knowledge in the field and so contributes to the thinking and research. For any specific project to occupy this place in the development of discipline, the researches must be thoroughly familiar with both previous theory and research. To assure this familiarity every research project whether in the social or physical services needs a review of the theoretical and research literature as one of its early stages.

In the field of education, the research worker needs to acquire up to date information about what he has been thought and done in the particular area from which he took a problem of research. After having referred the encyclopaedia of educational research and various journals, the investigator felt that literature related to this area was enormous. An attempt made here to mention some of the related studies the investigator had reviewed.

STUDIES ON EVALUATION OF TEXTBOOKS

Some researchers in India and abroad have made some studies in the area of evaluation of textbook. Studies under this area conducted to develop, evaluation criteria for assessing the nature, quality of a textbook. Some of the major studies on evaluation of textbooks are given below.

Rastogi (1975), in one study, developed process of preparation of textbook of mother tongue and also the tools and techniques for evaluating them. In another study **Rastogi (1975)**, made a comparative study of the textbook of mother tongue in Bengali, Gujarathi, Hindi, Telungu and Urdu.

Chudhari (1977), investigated about the effectiveness of textbook improvement programmes in India. It was found that with the launching of the improvement programme the quality and quantity of the textbooks have been improved to a great extend.

In a study conducted by **Gopala Krishna (1977)**, revealed that the textbook was in accordance with the syllabus prescribed for mathematics. An attempt was also made to make a comparative study of new mathematics syllabus with that of the old syllabus.

O.Conner (1991), identifies materials that are currently available to vocational teacher for integrating mathematics, science, language, arts in to the vocational curriculum. It contains over 100 citations of textbooks, videos and computer software.

Ramesh K (2003), a critical analytical study of the VIIIth standard social science textbook of Kerala State. After analysing the content, exercises, illustrations and physical aspects of the textbook the investigator came to the following conclusions.

- Practicing teachers who are handling social science in standard VIII can deliver valuable information about the existing social science textbook and curriculum.
- The teachers are ready to changes their attitude towards social science instruction required for the revised textbook.
- Need Effective training on the methodology as well as content.
- Numbers of activities should be reduced in considering the time available in classroom thing.
- The physical conditions of the classroom should be modified in order to implement the group activity in the classroom with minimum disturbances.

STUDIES RELATED TO COMMERCE EDUCATION

The present study related with business studies textbook. The investigator reviewed major studies related commerce education. The studies conducted in this area to develop and improve the commerce field. Some of the major studies related to commerce education are, given below.

Bahuguna (1973), conducted a study to evaluate commerce education up to higher secondary level in Rajasthan. The study revealed that teaching of commerce in the country was not done on a scientific basis and standard of commerce education at the higher secondary level not very high. The study also revealed that the teaching of commerce education was facing several types of problems including lack of relationship between the philosophies of commerce education and the requirements of the modern society and the commerce syllabus not related to the employment market. The study has suggested some action oriented programmes for the improvement of the quality of commerce education.

Bloch, Brian (1995), discusses the use of German literature in course teaching cross-cultural management. The article argues that literature depicting society and culture promotes effective business interaction. It also attempts to classify the benefits of using literacy texts to supplement theoretical texts on international business.

Niranjana (2003), revealed that the content of the textbook has to be updated and more topics must be included to internalise values relating to accounting and provides creative suggestions for improving the teaching methods and techniques of accountancy textbook in higher secondary level. Also identifies the simplification of languages of textbook and significance of in-service programmes for the higher secondary school teachers.

NEED AND SIGNIFICANCE OF THE STUDY

Formal instruction in commerce subjects is not given during the first ten years of schooling. Against this background, it becomes necessary that at the higher secondary stage, instruction in these aspects be given in such a manner that the students have a good understanding of the principles and practices bearing on business trade, industry, and their relationship to society. To cope up with the increasing demand for the people in commercial and governmental jobs, it becomes essential to introduce the commerce education at school level. In the new scheme of education, sufficient attention has paid to commerce education in Indian schools. Now the commerce education has been included in the school curriculum.

With the fast changing economic scenario and business environment in a state of continuous flux elementary business education along with business studies has carved out a place for itself at the higher secondary stage. Its syllabus content should give students a firm foundation in basic business principles and keep them informed of the change in its methodology concerning particular aspects of the subjects. The course in business studies prepares the learner to analyse, manage, evaluate and respond to change which affect business operations. It allows students to appreciate that business is an integral component of the society and to develop understanding many social and ethical issues.

The course content in the business studies programme should arranged and so designed that it is capable of developing organisation skills among students and such attitudes that make the worker an intelligent and productive participant in economic life of the country. It must keep abreast of the latest developments of business environments. Textbooks are the primary source of information to students. The present status of textbook is that they are not up to date. So the textbook of business studies must follow new trends and practices.

The State Council of Educational Research and Training (SCERT), Kerala, has introduced a revised textbook of business studies at higher secondary plus-two stage. In order to find out the strength and weakness of textbook, a systematic and scientific study is essential. The investigator can find out the studies related to evaluation or analysis of business studies textbook at plus-two level. By this consideration the investigator, take up the present study as "A critical-analytical study of the business studies textbook prescribed at the higher secondary class of Kerala state".

STATEMENT OF THE PROBLEM

Textbooks are the major important sources of schools, without textbook there is like heart without soul. So the textbook of business studies in the higher secondary plus-two level has an important source of commerce students in plus-two classes. So in the present study the investigator intended to know the importance of business studies plus-two level textbook and its feasibility and appropriateness to the contemporary curriculum.

Therefore, the problem stated as follows:

"A CRITICAL-ANALYTICAL STUDY OF THE BUSINESS STUDIES TEXTBOOK PRESCRIBED AT THE HIGHER SECONDARY CLASS OF KERALA STATE".

DEFINITION OF KEY TERMS

Following are the major definitions of key terms.

CRITICAL-ANALYTICAL STUDY

Critical-analytical study means looking very closely in detail to evaluate how far materials are appropriate and up to date to evaluate how far the evidences used in the material really proves the point to weigh up opinions arguments or solutions against the criteria.

BUSINESS STUDIES TEXTBOOK

In the present study the business studies textbook denotes the textbook on business studies prepared by State Council of Educational Research and Training (SCERT), Kerala, and prescribed as a textbook for higher secondary plus-two level.

HIGHER SECONDARY CLASS

The term higher secondary class refers to classes, which recognised as plus-two classes i.e. after 10th class at higher secondary schools.

KERALA STATE

The state of Kerala is one of the state in India situates southwest corner of India's map. It is a small and highly literate state in India.

OBJECTIVES OF THE STUDY

The present study has the following objectives.

1. Critically examine the business studies textbook prescribed at the higher secondary class of Kerala State based on the following dimensions,
 - (i) Objectives
 - (ii) Content
 - (iii) Curriculum transaction
 - (iv) Evaluation
2. To derive creative suggestions from the subject experts for the improvement of the existing business studies textbook at plus-two level.

METHODOLOGY OF THE STUDY

The methodology used for the present study was document analysis and a survey.

DOCUMENT ANALYSIS

The document used for the present study was the business studies textbook prescribed for higher secondary plus-two level by State Council of Educational Research and Training (SCERT), Kerala.

SURVEY

The investigator conducted a survey up on sample of 64 higher secondary commerce teachers from Ernakulum and Thrissur districts of Kerala state. Sixteen incomplete questionnaires eliminated. Therefore, the final sample was limited to 48, that shown in Table 1. The sample was drawn under the method of simple stratified random sampling giving due representation to factors like sex, locale and type of management school. Besides these, 5 subject experts in the field of commerce education are randomly selected to express their opinion regarding the textbook of business studies at plus-two level.

TOOLS AND DESIGNS

The investigator preparing a questionnaire and collected responses from higher secondary school commerce teachers connected with the problem area (objectives, content, curriculum transaction and evaluation) of the textbook, that shown in Table 2. Then computed the percentage of each response connected with the problem area and that shown in Table 3. Scoring-'one' point to each positive responses and 'zero' point to each negative responses.

SCOPE AND LIMITATION OF THE STUDY

The present study "A critical-analytical study of the business studies textbook prescribed at the higher secondary class of Kerala state" is intended to get a comprehensive idea about the existing prescribed business studies text book at plus-two level, higher secondary schools in Kerala. It is expected that the results of the analysis will help the investigator in making suggestions for improving the content of business studies textbook at plus-two level.

LIMITATIONS

1. The study was limited to a sample of 48 commerce teachers at higher secondary level.
2. It is difficult to cover the textbook within the prescribed time limit.
3. The study was limited to only two districts viz, Ernakulum and Thrissur districts of Kerala state.
4. Only business studies textbook for plus two selected for study.
5. Not all aspects of the textbook considered for analysis. Importance is give to the academic aspects only.
6. Majority of commerce teachers working in Government schools are on temporary or guest basis and are fresh in this field. Therefore, they are not capable of making authentic opinion regarding the textbook.

MAJOR FINDINGS OF THE STUDY

The important findings of the study are:

1. The objective dimension of the prescribed business studies textbook were some extent enough to formulated the objectives of teaching i.e., when considered the whole strata's responses of teachers', 50.69 percent of the total sample positively response and remaining 49.31 percent of the total sample negatively responses.
2. The selection and organisation of the existing textbook content was done at a satisfactory level i.e. when considered the whole strata's responses of teachers', 66.87 percent of the total sample positively response and remaining 33.13 percent of the sample were negatively responses.
3. When considered the responses of teachers' related to the curriculum transaction in the existing business studies textbook, 58.33 percent of the total sample were given positive responses and remaining 41.67 percent were given negative responses. From this, the investigator found that the method adopted for transacting the curriculum was an appropriate manner.
4. The evaluation system followed in the prescribed business studies textbook was an appropriate manner but some extent i.e., 51.56 percent of the total sample were positively responses and remaining 48.44 percent were negatively responses.

RECOMMENDATIONS & SUGGESTIONS

1. The existing business studies textbook can accomplish the major objectives of the education.
2. The time availability in accordance with the syllabus for instruction of the content in the existing textbook is not sufficient.
3. The revised content of the business studies textbook is capable of solving commercial problem confronted by the students to some extent.
4. The selection and organisation of the content of the existing textbook done well, but more updating of the content is required.
5. The visuals in the existing textbook are not appropriate for curriculum transaction.
6. The new systems of evaluation are not suitable to the existing textbook.
7. The content in the existing textbook is not suitable for developing various organisational behaviour such as conducting, preparing, noting and drafting official activities. For developing these skills, more practical oriented exercises should be given.
8. Introductory chapter is sufficient, but examples that are more practical added to the content.
9. Language used in the existing textbook made simple for easy understanding.
10. Use examples from real life situations for introducing the lessons.

EDUCATIONAL IMPLICATIONS

The present study makes a critical analysis of the existing prescribed textbook of business studies at plus-two level of higher secondary stage. Based on the findings following suggestions are made for improving the textbook of business studies at plus-two level.

1. The content presented in the textbook must be helpful for developing various organisational behaviour among the students.
2. The content should be up-to-date and more informative.
3. Considerable material drawn from practical life situations and day-to-day life of the society should be included in the textbook.
4. Language used in the textbook should be easy for easy understanding of the content.

CONCLUSION

Here the investigator studied about the prescribed business studies textbook at the higher secondary class of Kerala state based on certain objectives. The problem stated as "A critical- analytical study of the business studies textbook prescribed at the higher secondary class of Kerala state" conducted through document analysis and a survey method. The survey conducted among 48 higher secondary school teachers and data collected from using questionnaires. The data critically analysed by the statistical techniques computation of percentage. The investigator found important findings based on objectives and derived suggestions from the expert teachers in the field of business studies teaching.

SCOPE FOR FURTHER RESEARCH

1. This study can replicate to plus two Accountancy textbook.
2. This study can be replicate to plus-one level.
3. A comparison of plus-two business studies textbook with other plus-two textbook can be made.
4. A critical study of the commerce curriculum at higher secondary stage can be made.

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APPENDIX**QUESTIONNAIRE****General information**

- Name of the Teacher :
- Sex :
- Age :
- Name of the School :
- Type of the School : Govt./Aided
- Locality : Rural/Urban
- Educational Qualification :
- Teaching Experience :
- Number of In-service course attended :

PLEASE READ THE ITEMS CAREFULLY AND PUT WRITE YES OR NO IN FRONT OF THE SAME.

1. Are the business studies textbook has been accomplishing the major objectives of commerce education?
2. Is this textbook creating curiosity among children?
3. Is this textbook creating an interesting or enthusiastic and attractive learning device for the learner?
4. In your opinion the time available according to the syllabus is sufficient for instruction of the content in the existing textbook?
5. Is this textbook helping the child to attend the international affairs?
6. Do you think that the content help students for understanding the principle and procedure related to business studies ?
7. Is the textbook of business studies succeeded in the integration of the content like other subjects of plus-two ?
8. Do you agree with the opinion "teacher an important role in the preparation of textbook ?
9. Do you satisfy in the psycho- arrangements and sequential presentation of the content?
10. Is the existing textbook's content developing various life skills among students ?
11. Do you agree the textbook itself is the last word for the learner?
12. Do you think that the topics included in the existing textbook are affordable-for the higher secondary level ?
13. Are the hand book (source book) of business studies beneficial to the teacher?

14. Is the content in this book over loaded in nature?
15. Do you agree that the preparation of business studies textbook for plus-two On Activity Oriented Learning?
16. Is this textbook helping the child for overcoming various organisational problems?
17. Is it possible to employ scientific method in teaching business studies?
18. Is this textbook succeeded in creating awareness about humanity, critical -thinking and concern over environment in the child?
19. Are the visuals in the existing textbook are appropriate for curriculum transaction?
20. As a practicing teacher, the new system of evaluation is suitable to this textbook?
21. Do you think the existing textbook provide enough practical work for the student to apply the theoretical knowledge?
22. Is this textbook appropriate for terminal evaluation?
23. Do you think that the learning in the textbook are practicable?
24. Whether the revised content in business studies textbook is capable of solving commercial problem confronted by the students. Do you feel so?
25. Do you agree that the existing textbook's content helping for developing learners' skills in organisational behaviour? Suggest your response.
26. Whether the introducing chapter is suitable for the beginner learner, if not gives your suggestions.
27. Language used in the existing textbook is simple and correct. If not specify your valuable suggestions.

TABLES

TABLE 1: BREAK-UP OF FINAL SAMPLE

Locale Type of Mgt. Sex	Rural school		Urban school		Total
	Private(Aided)	Government	Private(Aided)	Government	
Male	6	6	6	6	24
Female	6	6	6	6	24
Total	12	12	12	12	*****
	24		24		48

TABLE 2: DIMENSIONAL DISTRIBUTION OF QUESTIONS

Serial No	Dimensions	Item No	Total
1	Objectivity	1,2,3,4,5,24	6
2	Content	6,7,8,9,10,11,12,13,14,25	10
3	Curriculum Transaction	15,16,17,18,19,26,27	7
4	Evaluation	20,21,22,23	4
Total			27

TABLE 3: PERCENTAGE OF TEACHER'S RESPONSES ABOUT THE BUSINESS STUDIES TEXTBOOK BASED ON SELECTED DIMENSIONS

Serial No	Dimensions	Responses	
		Positive	Negative
1	objectivity	50.69	49.31
2	Content	66.87	33.13
3	Curriculum Transaction	58.33	41.67
4	Evaluation	51.56	48.44

THE IMPACT OF WORKING RELATIONSHIPS AND DELIVERY OF EVP IN THE EMPLOYEE TURNOVER PROCESS

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ABSTRACT

The rapid growth of the Indian Telecom Industry has significantly contributed to India's GDP. Retaining the best talent is emerging as a major focal area for organizations while managing a highly skilled workforce. The primary area of concern for this sector is the spiraling attrition rate that is currently hovering around the 25% mark. This study stems from the need to identify the factors that will enable an organization to retain its key resources and thereby ensuring its sustenance and growth in the global market place. The objective of this research is to analyze the cause and effect of the high attrition rate in the telecom sector and suggesting suitable remedial measures. This primary research, spread over two years, is based on the analysis of data garnered from 100 employees of a leading pan-India telecom player, within the State of Karnataka, using Stratified Random Sampling technique and a non standard structured questionnaire. The two hypotheses of this study were validated empirically using One-Sample Kolmogorov Smirnov test. The research findings indicate that Employee Turnover in organizations which deliver superior Employee Value Proposition have lower rates of attrition. The research also validates a long held belief that the working relationship of an employee with their reporting manager is also a trigger for Employee Turnover.

KEYWORDS

Attrition, Employee Value Proposition, Employee Turnover, Economic Value Added, Job Hopping.

INTRODUCTION

The Indian telecom industry has seen tremendous growth in the last 10 years due to the liberal policies of the government and the extensive need for communication. A conducive business environment, favorable demographic outlook and the political stability enjoyed by the country have contributed to the growth of the industry. The total number of mobile subscribers is expected to breach the 800 million mark by the end of the year 2012 accounting for an overall teledensity of around 70%. India is fast emerging as the telecom hub of the world in terms of the growing demand, size of demand and FDI inflows. The rapid growth of the Indian Telecom Industry has been contributing to India's GDP. With more and more players entering the industry, retaining the best talent is emerging as a major focal area for organizations in general and HR Managers in particular. Retention of employees remains a significant KRA of all Managers in an organization, owing to talent scarcity.

REVIEW OF LITERATURE

Extensive research has shown that the following categories of human capital management factors provides a core set of measures that senior management can use to increase the effectiveness of their investment in people and improve overall corporate performance of business (Henri Ongori, 2007) [6]:

- **Employee Engagement** - The organization's capacity to engage, retain, and optimize the value of its employees hinges on how well jobs are designed, how employee's time is used, and the commitment and support that is shown to employees by the management. These factors would motivate employees to stay in the organization
- **Knowledge Accessibility** - The extent of the organization's "collaborativeness" and its capacity for making knowledge and ideas widely available to employees would help in their retention. This accessibility of information would lead to strong performance from the employees and creating strong corporate culture Meaghan et al. (2002).
- **Workforce Optimization** - The organization's success in optimizing the performance of the employees by establishing essential processes for getting work done, providing good working conditions, establishing accountability and making good hiring choices would retain employees in their organization. The importance of gaining better understanding of the factors related to recruitment, motivation and retention of employees is further underscored by rising personnel costs and high rates of employee turnover (Badawy, 1988; Basta and Johnson, 1989; Garden, 1989; Parden, 1981; Sherman, 1986)
- **Job Involvement** - Describes an individual's ego involvement with work and indicates the extent to which an individual identifies psychologically with his/her job (Kanungo, 1982). Involvement in terms of internalizing values about the goodness or the importance of work made employees not to quit their jobs and these involvements are related to task characteristics. Task characteristics have been found to be potential determinants of turnover among employees (Couger, 1988; Couger and Kawasaki, 1980; Garden, 1989; Goldstein and Rockart, 1984). These include the five core job characteristics identified by Hackman and Oldham (1975, 1980)
 - **Skill Variety** - Refers to the opportunity to utilize a variety of valued skills and talents on the job
 - **Task Identity** - The extent to which a job requires completion of a whole and identifiable piece of work
 - **Task Significance** - Reflects the extent to which the job has a substantial impact on the lives or work of other people, whether within or outside the organization
 - **Job Autonomy** - The extent to which the job provides freedom, independence, and discretion in scheduling work and determining procedures that the job provides
 - **Job Feedback** - Refers to the extent to which the job provides information about the effectiveness of one's performance (Tor et al., 1997)

Research conducted under the rubric of organizational climate has had success in aggregating individual employee's perceptions and investigating their relationship to both organizational-level and individual-level outcomes (Schneider, White, & Paul, 1998; Zohar & Luria, 2005)[7]. Ostroff (1992), studying a sample of 364 schools, investigated the relationship between employees' attitudes and organizational performance. Ostroff found that aggregated teacher attitudes such as job satisfaction and organizational commitment were concurrently related to school performance, as measured by several performance outcomes such as student academic achievement and teacher turnover rates. This study indicates that satisfaction is an important social process factor that fosters organizational effectiveness. [8]

Ryan, Schmitt, and Johnson (1996) investigated similar relationships between aggregated employee attitudes, firm productivity, and customer satisfaction. The authors measured these relationships at two points in time from 142 branches of an auto finance company. Results indicated employee morale was related to

subsequent business performance indicators, customer satisfaction sentiments, and turnover ratios. Interestingly, they did find evidence suggestive of customer satisfaction as a causal influence on morale. [7]

In a unique study conducted by Harter et al. (2002), the authors conducted a meta-analysis of studies previously conducted by The Gallup Organization. The study examined aggregated employee job satisfaction sentiments and employee engagement, with the latter variable referring to individual's involvement with as well as enthusiasm for work. Based on 7,939 business units in 36 organizations, the researchers found positive and substantive correlations between employee satisfaction-engagement and the business unit outcomes of productivity, profit, employee turnover, employee accidents, and customer satisfaction. Based on these data, it seems clear that aggregated measures of employee satisfaction and employee engagement are meaningfully related to business outcomes. [9]

Schneider et al. (2003) report analyses of employee attitude survey data aggregated to the organizational level of analysis. They explored the relationships between several facets of employee satisfaction and organizational financial and market performance using data from 35 organizations over a period of eight years. Their results showed consistent and statistically significant positive relationships between attitudes concerning satisfaction with security, satisfaction with pay, and overall job satisfaction with financial (ROA) and market performance (EPS). One of the more surprising findings was related to overall job satisfaction and the performance criteria. Results demonstrated that the causal directionality flows from financial and market performance to overall job satisfaction. The relationship between satisfaction with pay and the performance indicators appeared to be reciprocal in nature. [10]

EMPLOYEE JOB SATISFACTION & ORGANIZATIONAL PERFORMANCE

The implicit belief both in academia and practice is that the relationship runs from employee satisfaction sentiments to organizational effectiveness and efficiency outcomes. The study conducted by Schneider et al. (2003) suggests that employees who are in higher performing organizations are more likely to be satisfied than those in lower performing organizations simply because their organizations are doing well. This implies that employees can derive satisfaction from the knowledge or feedback that their organization is performing well and is accomplishing its goals [8].

EMPLOYEE SATISFACTION

Given the fact that significant and practically important relationships exist between aggregated employee attitudes and organizational performance, it is important to question what factors contribute to satisfaction. The predominant view has focused on the situational context (e.g., supervisory support) as a cause of satisfaction and has argued that high-performance work practices and thus a positive working climate foster employee satisfaction (Bowen, & Ostroff, 2004; Wright, Dunford, & Snell, 2001; Wright, Gardner, Moynihan, & Allen, 2005) [11].

CONCLUSIONS

This review of turnover literature identifies a range of factors that have been shown to be consistently linked to turnover. These include organizational commitment, job satisfaction, alternative opportunities and reward and recognition. Evidence on the role of pay is still somewhat inconclusive, although keeping pay in line with market rates is certainly critical to retaining staff. Apart from age and tenure, personal characteristics of employees appear to have little relationship to turnover. Understanding the problem is the key to devising an effective retention strategy. Access to both quantitative and qualitative data is necessary for understanding levels of turnover across occupations, sites and for particular groups of employees as well as for identifying the underlying causes of turnover.

NEED/IMPORTANCE OF THE STUDY

It is extremely rare to find individuals who have risen to and retired from leadership positions after working their way through the ranks with a single organization. The quote "Nothing Lasts Forever" aptly describes the status of the current job market. Modern world and its trends has made job hopping a social phenomena worth analyzing & studying. Liberalization, globalization & privatization are providing a Job Hopper with multiple options. The Indian Telecom sector is the 4th largest telecom market after China, Japan and South Korea. The sector has been expanding & mushrooming by the minute and the organizational performance is directly linked to attracting, managing and retaining the best available talent in the market. There is a scarcity of qualified people and organizations attract the best brains from competition with high salary and attractive designations. [1]

STATEMENT OF THE PROBLEM – EMPLOYEE TURNOVER IN THE TELECOM SECTOR

Employee Turnover is defined as the ratio of the number of workers that had to be replaced in a given time period to the average number of workers while attrition is the reduction in staff and employees in a company through normal means, such as retirement and resignation. Employee turnover is a huge challenge and a potential impediment in organizational growth and success.

Employee Turnover and Attrition [2] represents significant costs and can make a quantifiable difference (financial) in organization performance. One of the primary reasons why employees leave organizations is their supervisor or team leader, [3] when they perceive a lack of trust or communication, relevant and timely feedback, appreciation and fair treatment. Sometimes it is the attraction of a new job or the prospect of a period outside the workforce that 'pulls' [4] them; on other occasions, they are 'pushed' due to dissatisfaction in their present jobs to seek alternative employment. In many cases the cause of attrition is a mixture of both the pull and push factors.

The purpose of this study is to understand the cause and effect relationship between the various organizational, process and personal factors that lead to employee turnover. To this effect, the specific problems related to employee turnover at the target organization in the **State of Karnataka**, are mentioned below:

- Erosion of talent resulting from the loss of high performers and critical resources
- Employee turnover at the Junior and Middle management level is quite high
- Overall Productivity takes a hit because of the outflow of the top performers and critical resources and learning curve effect³⁹ of the new entrants
- Lack of Motivation and low morale leading to an increase in Employee Turnover
- Increase in recruitment and training costs due to employee turnover
- Difficulty in retaining the skillful and youthful employees who have the skills which are in great demand in the industry
- Employee turnover levels in some specific businesses affect the morale, motivation level and productivity of the team. Morale deficiencies affect the organizational performance and sometimes, result in the 'ripple effect'⁴⁰ [5]

Employee turnover implies certain direct costs such as recruitment & selection, training and other opportunity costs. In addition indirect costs due to lowered employee morale, quality of handholding and transfer of information, imbalance in work place equilibrium also accrue.

RESEARCH OBJECTIVES

The telecom sector currently faces attrition around the rate of 25%. The objectives of this study are to analyze the causes of the high attrition rate in the telecom sector while understanding their organizational impact and identifying suitable remedial measures. The efforts being made for employee retention by the

³⁹ The **learning curve** refers to a relationship between the duration of learning or experience and the resulting progress – Robert S Pindyck Daniel L

⁴⁰ The **ripple effect** is an education-related term associated with the studies of Jacob Kounin. It involves the effects that a reprimand in a group has on members of the group who are not the intended targets of the reprimand –Wikipedia

employers and the quantum of attention being given to this issue by practicing HR Managers, Academicians and Industry Leaders is significant. Hence this study has been undertaken with very specific purpose of determining the factors leading to employee turnover and how this could be best controlled. The hygiene and motivation factors, which are important for employee retention, will be highlighted so as to bring out the key issues that need to be addressed by organizations.

RESEARCH HYPOTHESES

Hypothesis 1 - Organizations with Effective Employment Value Proposition (EVP) enjoy significantly high levels of employee commitment and reduced Employee Turnover

Hypothesis 2 – The working relationship of an employee with their reporting manager impacts employee retention

RESEARCH METHODOLOGY

This study was conducted on the permanent employees of a leading telecom player in the geography of Karnataka. The employee turnover in terms of Business/Function/Department, time spent in the organization, geography, positions held, qualification, total experience, department, age and gender and the attrition of low and average performers within the State of Karnataka was profiled. The chosen sample size of 100 permanent employees is representative of the total population of the target company within the State of Karnataka. The data was collected using a structured questionnaire and analyzed using SPSS Statistics Ver. 20 package. The research design is summarized in Table 1.

TABLE 1 – RESEARCH DESIGN

S.N	Parameter	Value
1	Type of Research	Primary
2	Length of Study	24 months
3	Research Instrument	Structured, Non Standard Questionnaire
4	Survey Administration	Email, Telephonic, Personal
5	Instrument Validity Testing	Cronbach Alpha
6	Sampling Type	Stratified Random
7	Sample Size	100
8	Analysis	Descriptive, Pearson's Co-relation, Cronbach Alpha & One-Sample Kolmogorov Smirnov
9	Hypothesis Testing	One-Sample Kolmogorov Smirnov
10	Geography	Karnataka

RESULTS & DISCUSSION

The data collected through the administration of the structured data was collated and tabulated. The parameters, the tests employed and the tables listing the results are as listed in Table 2. The tabulated data (Table 3) provides insights into the key contributory factors to Employee Turnover within the target organization. This is illustrated in the figure 2. The data was subsequently analyzed using SPSS Statistics Ver. 20 software. The tests validated both the hypotheses. The major findings of the study and the recommendations for organizations are outlined in the following sections.

TABLE 2 – EMPLOYEE TURNOVER DATA ANALYSIS

S.N	Parameter	Test	Results
1	Descriptive Statistics	Skewness & Kurtosis	Table 4
2	Reliability	Cronbach Alpha	Table 5
3	Data Co-relation	Pearson's Co-relation	Table 6
4	Hypothesis Testing	One-Sample Kolmogorov Smirnov	Table 8

TABLE 3 – EMPLOYEE TURNOVER – KEY FACTORS

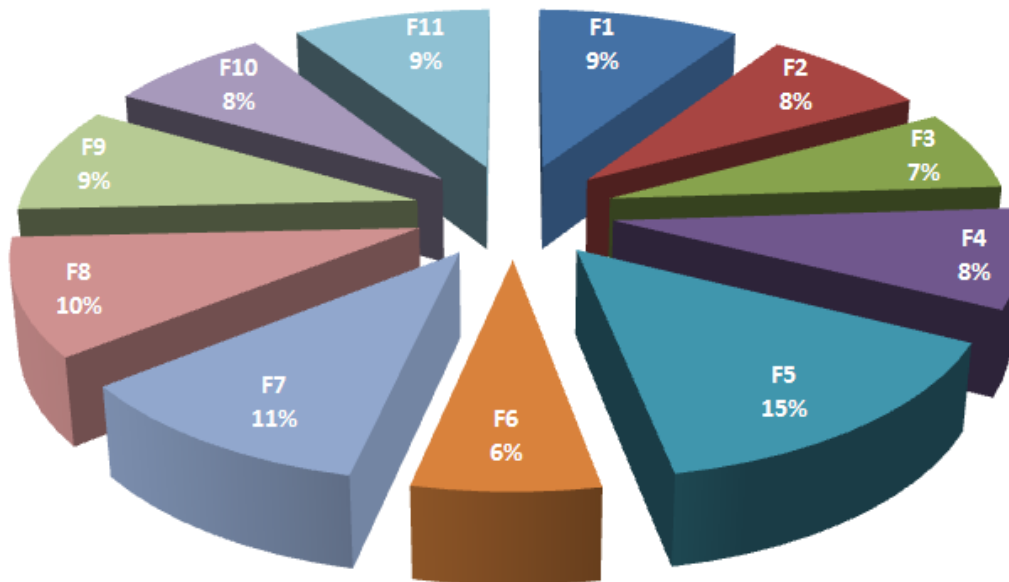
S.N	Factor	Ranking					Weighted Avg.
		5	4	3	2	1	
1	Job Responsibility/ Authority/ Role Clarity	22	28	34	8	4	3.44
2	Compensation and Benefits	3	27	38	22	7	2.88
3	Rewards and Recognition	1	16	34	30	16	2.47
4	Work Environment and Culture	7	32	32	19	9	3.06
5	Performance Management & Career Opportunities	2	40	86	44	22	5.38
6	Hygiene Factors	1	13	32	33	19	2.38
7	Working Relationship with Reporting Manager	35	37	24	2	1	4
8	Organizational Value System	21	39	29	6	3	3.63
9	Recruitment and Selection process	6	37	40	14	1	3.27
10	Inter-departmental dynamics	2	27	37	20	10	2.79
11	Organizational EVA (Economic Value Added)	10	42	31	12	3	3.38

TABLE 3 – DATA INTERPRETATION

A Likert Scale was employed to record the responses to the administered questionnaire. The weighted average of the responses was calculated. The five key factors affecting employee turnover were:

- Performance Management & Career Opportunities
- Working Relationship with Reporting Manager
- Organizational Value System
- Job Responsibility/ Authority/ Role Clarity
- Organizational EVA (Economic Value Added in corporate finance is an estimate of a firm's economic profit – being the value created in excess of the required return of the company's investors (being shareholders and debt holders).

FIGURE 2 – EMPLOYEE TURNOVER – KEY FACTORS



GROUPS	
F1	Job Responsibility/ Authority/ Role Clarity
F2	Compensation and Benefits
F3	Rewards and Recognition
F4	Work Environment and Culture
F5	Performance Management & Career Opportunities
F6	Hygiene Factors
F7	Working Relationship with Reporting Manager
F8	Organizational Value System
F9	Recruitment and Selection process
F10	Inter-departmental dynamics
F11	Organizational EVA (Economic Value Added)

TABLE 4 – EMPLOYEE TURNOVER ANALYSIS - SKEWNESS & KURTOSIS

	N	Range	Min	Max	Mean	Std. Deviation	Variance	Skewness		Kurtosis	
								Statistic	Std. Error	Statistic	Std. Error
F1	5	30	4	34	19.20	5.748	12.853	-.191	.913	-2.359	2.000
F2	5	35	3	38	19.40	6.454	14.433	.080	.913	-1.689	2.000
F3	5	33	1	34	19.40	5.862	13.107	-.371	.913	-.675	2.000
F4	5	25	7	32	21.80	5.669	12.677	-.582	.913	-3.200	2.000
F5	5	84	2	86	38.80	13.951	31.196	.696	.913	1.077	2.000
F6	5	32	1	33	19.60	6.013	13.446	-.413	.913	-1.214	2.000
F7	5	36	1	37	19.80	7.794	17.427	-.284	.913	-3.033	2.000
F8	5	36	3	39	19.60	6.809	15.225	.123	.913	-1.961	2.000
F9	5	39	1	40	19.60	8.004	17.897	.337	.913	-2.886	2.000
F10	5	35	2	37	19.20	6.160	13.773	.039	.913	-1.095	2.000
F11	5	39	3	42	19.60	7.270	16.257	.662	.913	-1.622	2.000
Valid N (listwise)	5										

INTERPRETATION

The descriptive statistics of the questionnaire responses is presented in the table. These include mean, standard deviation, skewness and kurtosis. Skewness is used for distribution analysis and is indicative of a sign of asymmetry and deviation from a normal distribution. Out of the 11 factors 6 indicate positive skewness while the remaining 5 factors are negatively skewed. Kurtosis is an indicator used in distribution analysis as a sign of flattening or "peakedness" of a distribution. Most of the factors have a Kurtosis < 3 which is indicative of a Platykurtic distribution, flatter than a normal distribution with a wider peak.

TABLE 5 – RELIABILITY ANALYSIS OF EMPLOYEE TURNOVER DATA
CASE PROCESSING SUMMARY

		N	%
Cases	Valid	5	100.0
	Excluded ^a	0	.0
	Total	5	100.0

a. Listwise deletion based on all variables in the procedure.

RELIABILITY STATISTICS

Cronbach's Alpha	N of Items
.924	11

INTERPRETATION

Cronbach's alpha reliability coefficient normally ranges between 0 and 1. The closer Cronbach's alpha coefficient is to 1.0 the greater the internal consistency of the items in the scale. The alpha coefficient for the table 3 data is 0.924 which indicates a very high internal consistency of the scale items.

TABLE 6 – PEARSON CORRELATION OF EMPLOYEE TURNOVER DATA

	F1	F2	F3	F4	F5	F6	F7	F8	F9	F10	F11
F1 Pearson Correlation	1	.614	.100	.481	.501	-.098	.827	.918	.829	.586	.809
Sig. (2-tailed)		.271	.872	.413	.390	.876	.084	.028	.083	.299	.097
N	5	5	5	5	5	5	5	5	5	5	5
F2 Pearson Correlation	.614	1	.816	.939*	.951*	.680	.146	.535	.920*	.992**	.773
Sig. (2-tailed)	.271		.092	.018	.013	.207	.815	.353	.027	.001	.125
N	5	5	5	5	5	5	5	5	5	5	5
F3 Pearson Correlation	.100	.816	1	.762	.901*	.978**	-.440	-.053	.525	.816	.285
Sig. (2-tailed)	.872	.092		.134	.037	.004	.459	.933	.363	.092	.642
N	5	5	5	5	5	5	5	5	5	5	5
F4 Pearson Correlation	.481	.939*	.762	1	.816	.643	.120	.502	.865	.915*	.782
Sig. (2-tailed)	.413	.018	.134		.092	.242	.848	.389	.059	.029	.118
N	5	5	5	5	5	5	5	5	5	5	5
F5 Pearson Correlation	.501	.951*	.901*	.816	1	.800	-.054	.328	.791	.955*	.571
Sig. (2-tailed)	.390	.013	.037	.092		.104	.931	.590	.111	.011	.315
N	5	5	5	5	5	5	5	5	5	5	5
F6 Pearson Correlation	-.098	.680	.978**	.643	.800	1	-.610	-.256	.340	.682	.092
Sig. (2-tailed)	.876	.207	.004	.242	.104		.275	.677	.576	.204	.883
N	5	5	5	5	5	5	5	5	5	5	5
F7 Pearson Correlation	.827	.146	-.440	.120	-.054	-.610	1	.894*	.503	.111	.648
Sig. (2-tailed)	.084	.815	.459	.848	.931	.275		.041	.388	.859	.237
N	5	5	5	5	5	5	5	5	5	5	5
F8 Pearson Correlation	.918	.535	-.053	.502	.328	-.256	.894*	1	.821	.520	.916*
Sig. (2-tailed)	.028	.353	.933	.389	.590	.677	.041		.088	.369	.029
N	5	5	5	5	5	5	5	5	5	5	5
F9 Pearson Correlation	.829	.920*	.525	.865	.791	.340	.503	.821	1	.912*	.949*
Sig. (2-tailed)	.083	.027	.363	.059	.111	.576	.388	.088		.031	.014
N	5	5	5	5	5	5	5	5	5	5	5
F10 Pearson Correlation	.586	.992**	.816	.915*	.955*	.682	.111	.520	.912*	1	.770
Sig. (2-tailed)	.299	.001	.092	.029	.011	.204	.859	.369	.031		.128
N	5	5	5	5	5	5	5	5	5	5	5
F11 Pearson Correlation	.809	.773	.285	.782	.571	.092	.648	.916	.949*	.770	1
Sig. (2-tailed)	.097	.125	.642	.118	.315	.883	.237	.029	.014	.128	
N	5	5	5	5	5	5	5	5	5	5	5

*. Correlation is significant at the 0.05 level (2-tailed).
 **. Correlation is significant at the 0.01 level (2-tailed).

INTERPRETATION

Pearson's correlation coefficient (r) is a measure of the strength of the association between the two variables. Pearson's correlation coefficient (r) for continuous (interval level) data ranges from -1 to +1. Positive correlation indicates that both variables increase or decrease together, whereas negative correlation indicates that as one variable increases, so the other decreases, and vice versa. There is a positive co-relation between most of the factors impacting employee turnover.

HYPOTHESIS TESTING

Hypothesis 1 - Organizations with Effective Employment Value Proposition (EVP) enjoy significantly high levels of employee commitment and reduced Employee Turnover.

Employee Value Proposition (EVP) is a term used to denote the balance of the rewards and benefits that are received by employees in return for their performance at the workplace. EVP is an employee-centered approach that is aligned to existing, integrated workforce planning strategies because it has been informed by existing employees and the external target audience. EVP must be unique, relevant and compelling if it is to act as a key driver of talent attraction, engagement and retention. It has become closely related to the concept of employer branding, in that it is being used to define the underlying 'offer' on which an organization's employer brand marketing and management activities are based [12]. The following figure 3 illustrates the concept of EVP:

FIGURE 3 - EMPLOYEE VALUE PROPOSITION

Rewards	Opportunity
Organization	Work
People	

Poor EVP delivery reduces an employee's intent to continue with the current organization. The seven key EVP measures are as listed:

- Compensation
- Future Career Opportunities
- Recognition
- Organization Growth Rate
- Organization Stability
- Development Opportunities
- Work Environment

An analysis of the primary data garnered on Employee Turnover (Table 6) reveals that the five major factors affecting employee turnover are Performance Management & Career Opportunities, Working relationship of an employee with their reporting manager, Organizational Value System, Job Responsibility/Authority/Role Clarity and EVA. These factors are the key contributors to EVP in an organization. The data collected was subjected to One sample Kolmogorov-Smirnov test (Table 7) which validates hypothesis 1.

Hypothesis 2 – The working relationship of an employee with their reporting manager is impacts employee retention.

A Gallup poll of more than 1 million employed U.S. workers concluded that the No. 1 reason people quit their jobs is a bad boss or immediate supervisor". The lack of strong leadership skills contributes significantly to attrition. The study also discovered that poorly managed groups were 50 percent less productive than those with strong and respected leaders, and that profits were reduced by 44 percent. It is said; employees join an organization and leave their managers. A 'bad boss' thus is one of the major causes for attrition. Lack of appreciation of individual excellence is a major cause of turnover in organizations. Another major reason for dissatisfaction is the partial treatment to a few employees. In addition many managers try to steal the limelight by taking credit for the work done by the team members. Non-appreciation and non-acceptance of an individual can have a negative impact on their performance.

From the data presented in table 6 it is evident that the employees working relationship with their reporting manager is the second highest contributory factor for employee turnover within the target company being studied. A One sample Kolmogorov-Smirnov test of the table 6 data validates hypothesis 2. The results of the test are presented in table 7.

TABLE 7 – HYPOTHESES TESTING OF EMPLOYEE TURNOVER DATA – KOLMOGOROV SMIRNOV TEST

Hypothesis Test Summary

	Null Hypothesis	Test	Sig.	Decision
1	The distribution of F1 is normal with mean 19.20 and standard deviation 12.85.	One-Sample Kolmogorov-Smirnov Test	.982	Retain the null hypothesis.
2	The distribution of F2 is normal with mean 19.40 and standard deviation 14.43.	One-Sample Kolmogorov-Smirnov Test	.985	Retain the null hypothesis.
3	The distribution of F3 is normal with mean 19.40 and standard deviation 13.11.	One-Sample Kolmogorov-Smirnov Test	.987	Retain the null hypothesis.
4	The distribution of F4 is normal with mean 21.80 and standard deviation 12.68.	One-Sample Kolmogorov-Smirnov Test	.704	Retain the null hypothesis.
5	The distribution of F5 is normal with mean 38.80 and standard deviation 31.20.	One-Sample Kolmogorov-Smirnov Test	.947	Retain the null hypothesis.
6	The distribution of F6 is normal with mean 19.60 and standard deviation 13.45.	One-Sample Kolmogorov-Smirnov Test	.966	Retain the null hypothesis.
7	The distribution of F7 is normal with mean 19.80 and standard deviation 17.43.	One-Sample Kolmogorov-Smirnov Test	.922	Retain the null hypothesis.
8	The distribution of F8 is normal with mean 19.60 and standard deviation 15.22.	One-Sample Kolmogorov-Smirnov Test	.976	Retain the null hypothesis.
9	The distribution of F9 is normal with mean 19.60 and standard deviation 17.90.	One-Sample Kolmogorov-Smirnov Test	.946	Retain the null hypothesis.
10	The distribution of F10 is normal with mean 19.20 and standard deviation 13.77.	One-Sample Kolmogorov-Smirnov Test	1.000	Retain the null hypothesis.
11	The distribution of F11 is normal with mean 19.60 and standard deviation 16.26.	One-Sample Kolmogorov-Smirnov Test	.828	Retain the null hypothesis.

Asymptotic significances are displayed. The significance level is .05.

FINDINGS

The major conclusions of the research study are as enumerated below:

- The primary Employee Turnover Factors based on their ranking are as listed below:
 - Performance Management & Career Opportunities
 - Working Relationship with Reporting Manager
 - Organizational Value System

- o Job Responsibility/ Authority/ Role
- o Organizational EVA
- o Recruitment and Selection process
- o Work Environment and Culture
- o Compensation and Benefits
- o Inter-departmental dynamics
- o Rewards and Recognition
- o Hygiene Factors
- There is a strong positive co-relation between Performance Management & Career Opportunities and Compensation and Benefits, Rewards and Recognition, Work Environment and Culture, Hygiene Factors, Recruitment and Selection process, Inter-departmental dynamics & Organizational EVA
- Working Relationship with Reporting Manager has a strong positive co-relation with Job Responsibility/ Authority/ Role Clarity and Organizational Value System. It has a weak negative association with Organizational hygiene factors
- Organizational Value System has a strong positive co-relation with Job Responsibility/ Authority/ Role Clarity, Working Relationship with Reporting Manager and Organizational EVA
- Organizational EVA has a strong positive co-relation with hygiene factors
- Recruitment and Selection Process has a strong positive co-relation with Job Responsibility/ Authority/ Role Clarity, Compensation and Benefits, Work Environment and Culture, Performance Management & Career Opportunities, Organizational Value System, Inter-departmental dynamics and Organizational EVA
- Work Environment and Culture has a strong positive relationship with Compensation and Benefits Rewards and Recognition Performance Management & Career Opportunities Recruitment and Selection process Inter-departmental dynamics Organizational EVA
- Job Responsibility/ Authority/ Role Clarity has a strong positive co-relationship with Working Relationship with Reporting Manager, Organizational Value System, Recruitment & Selection process and Organizational EVA

Telcom Organizations need to reduce their Employee Turnover by focusing on Employee Engagement Activities. A strong EVA will have positive impact on business performance.

RECOMMENDATIONS/SUGGESTIONS

- While monetary increase is often a valid reason to change jobs, individuals need to realize that work environment, long term career prospects, colleagues and organizational culture are equally important factors in determining an ideal job. Job hopping should be a mature decision carefully charted out after properly weighing varied factors like current job satisfaction, challenges, career development, organizational image, benefits and growth prospects. An individual should evaluate the suitability of the whole package rather than being blindfolded with short term benefits
- A two pronged approach is generally recommended to manage an organizations attrition rates. These include:
 - a. Identify top performers & reward and recognize talent
 - b. Non performers put on performance improvement plan

The table 7 presents a methodology for organizational attrition estimation and management.

TABLE 7 - ORGANIZATIONAL ATTRITION MANAGEMENT

Instruments	Predictors	Outcomes
Existing Survey	Attrition	Retention Prediction
People Processes	Development Initiatives	Bench Marking
E-Surveys	Employability	Best Practices
	Work Environment	Strong Employees

- To achieve organizational goals, leaders must ensure employees perform at high levels. In this context it is imperative that the HR Manager of an organization understands the following:
 - a. What motivates employees to work with commitment to the organization?
 - b. What triggers superior performance?
 - c. What actions drive employee retention?
- Line Managers directly control a majority of the effective drivers of employee performance and retention and play a critical role in the organization success. Managers must build employee engagement with the broader organization goals, thereby increasing employee discretionary effort and intent to stay. In this context it is essential that good managers should [14]:
 - Amplify the good, filter the bad
 - Connect employees with the organization and its success
 - Instill a performance culture
 - Connect employee's with talented co-workers
 - Demonstrate a credible commitment to employee development
 - Provide fair and accurate informal feedback on performance
 - Highlight employees strengths in performance reviews
 - Clarify performance expectations
 - Leverage employee fit
 - Provide solutions to day to day challenges

CONCLUSIONS

Indian telecom sector is one of the world's fastest growing telecom sectors and has been the key driver for India's high economic growth. The explosive growth in the telecom sector coupled with rapid innovations is throwing up not merely technological but a whole lot of management, regulatory and socio economic challenges. The Indian wireless market is one of the world's most competitive markets. This heightened competition has fuelled a price war between industry players thereby reducing their revenue streams. The high cost of technology, rising interest rates, low revenues, licensing scams, paralyzed decision making due to political instability are leading to a rapid erosion of the net worth of the major telecom players. In order to ensure sustained growth organizations need to adopt the ADIEU Model to boost employee morale and loyalty towards the organization. [14] The model includes the following:

- Affiliation
- Development Initiatives – Developmental activities within an organization
- Employability
- Work environment

Finally, organizational retention strategies should be centered on the following factors:

- Pay & Benefits
- Reward & Recognition
- Providing Career Opportunities
- Training and Skill Development

SCOPE FOR FURTHER RESEARCH

This primary research was limited to 100 permanent employees of a single telecom player within the State of Karnataka. Further studies would need to encompass the employees from leading pan-India telecom players, telecom equipment manufacturers as well as managed service providers. Further studies could also include outsourced and contractual employees.

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OPPORTUNITIES OF INDIAN TOURISM INDUSTRY (WITH SPECIAL REFERENCE OF MEDICAL TOURISM)

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ABSTRACT

Developed country people are willingness to take medical treatment with inexpensive vacation, while they were traveling to developing countries. It's developed day-by-day as a medical tourism and its providing more opportunity to every field of its connected one. This paper focused on the opportunities of Indian Tourism industry particularly Indian medical tourism attraction in world-wide. Tourism is one of the largest part worthwhile industries in world-wide and is providing huge employment, generating income, improvement in overall quality of life as well as helping to our economic development. It contributes more foreign exchange earnings as well as it attracting yearly four million tourists visiting in India and making its one of the favourable medical tourism destinations. This industry is providing the jobs around 19 million, plus it's creating jobs directly/indirectly in its associated works and this industry ministry spending nearly US \$8.9 billion. It is attracting the business people and travel by foreign and domestic tourists in medical tourism; in and out bound tourism etc. There is a vast scope for medical tourism in India due to its cost advantage and no waiting time or queue for process of medical treatments. It is currently growing at around 30% per annum. In the near future Indian medial tourist arrival is expected to reach one billion marked soon. The cost of healthcare in India not only cheaper than many counties such as U.K, U.A.E or U.S but the waiting time is nil for process of healthcare services. The treatment of various medical services in India is less expensive than the European countries.

KEYWORDS

Medical Tourism, Health Care, Surgery Cost, FEE.

INDIAN TOURISM INDUSTRY

Indian Tourism sector is one of the most crucial sectors of the economy in the world. It is not only a significant contributor to GDP and foreign exchange reserve of the country, but also it provides widespread employment. Indian economy is growing rapidly and has dramatically impacted the world change of business enterprises, service industries and outsourcing solutions. Even though, it's going as a strong economy in the world wide changes. Indian economy is going as an upward stage, particularly in service sector tourism plating a vital role. Tourism sector can also be considered the backbone for allied sectors, like hospitality, transport and civil aviation etc. Sensing the importance of the sector, Indian Government has invested plentifully in the past for infrastructure development. It has been partially successful with increase in foreign tourist arrivals over the last decade, courtesy "Incredible India Campaign." Infrastructure in the hospitality sector is still a matter of concern amongst other factors like season-based tourism in some states.

India's inbound tourist expenditure is the third highest in the world for per head and tourism spending above the global average. Indian healthcare tourism is also promoting and providing the visitors both public and private healthcare facilities. These tourist visitors are expected more than one million in 2012 for the purpose of medical treatment.

OBJECTIVES OF THE STUDY

- To see the opportunities of Indian tourism industry and its foreign exchange earnings and travel receipts from the tourist visitors.
- To view the importance of Medical Tourism in India and its Opportunities

RESEARCH METHODOLOGY

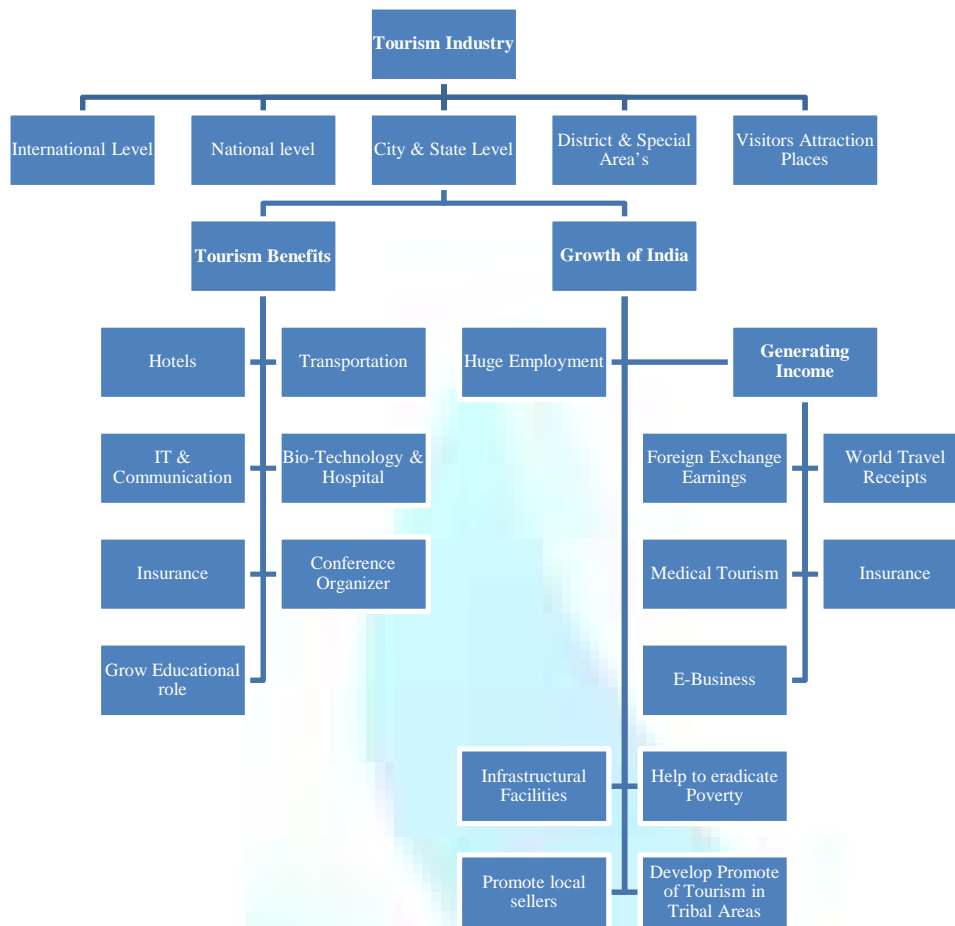
The study is based on the secondary data collected from various books, journals, published materials, ministry of tourism, indiastat.com and other website, from the year 1990 to 2010. It shows the foreign tourist visitors, exchange earnings, travel receipts, medical tourism and its marketing products etc.

TOURISM

Tourism is a human activity of great meaning. It involves a temporary break from normal routine to engage with experiences that contrasts with everyday life, with the mundane. Over the years, the definition of tourism has undergone a change along with the historical changes. According to Himziker and Krapf tourism is "the sum of the phenomena and relationships arising from the travel and stay of non-residents, in so far as it does not lead to permanent residence and is not connected to any earning activity."

TOURISM MARKETING

When making the choice to take a vacation, when information able to get easily along with location. Further, people frequently look to chambers of commerce or a city Web site for this detail. These are extremely useful tools for what is known as tourism marketing. This one to be successful and effective plus it needs to serve the desires of the visitor and its creation attraction on organization producing material etc. The point of these marketing resources is to promote what the resort, city, state or region has to offer in an appealing, yet honest manner. It provide economic benefits for those who living visitors attracting near places, new citizens and businesses etc.



Tourism destinations level are; national tourism organizations, regional tourism boards, city and state tourism bodies and conventions centers in the district and special areas further visiting attraction places etc. Tourism Industries suppliers are airlines, hotels, tour operators, cruise companies, train operators, incentive operators and conference organizers etc.

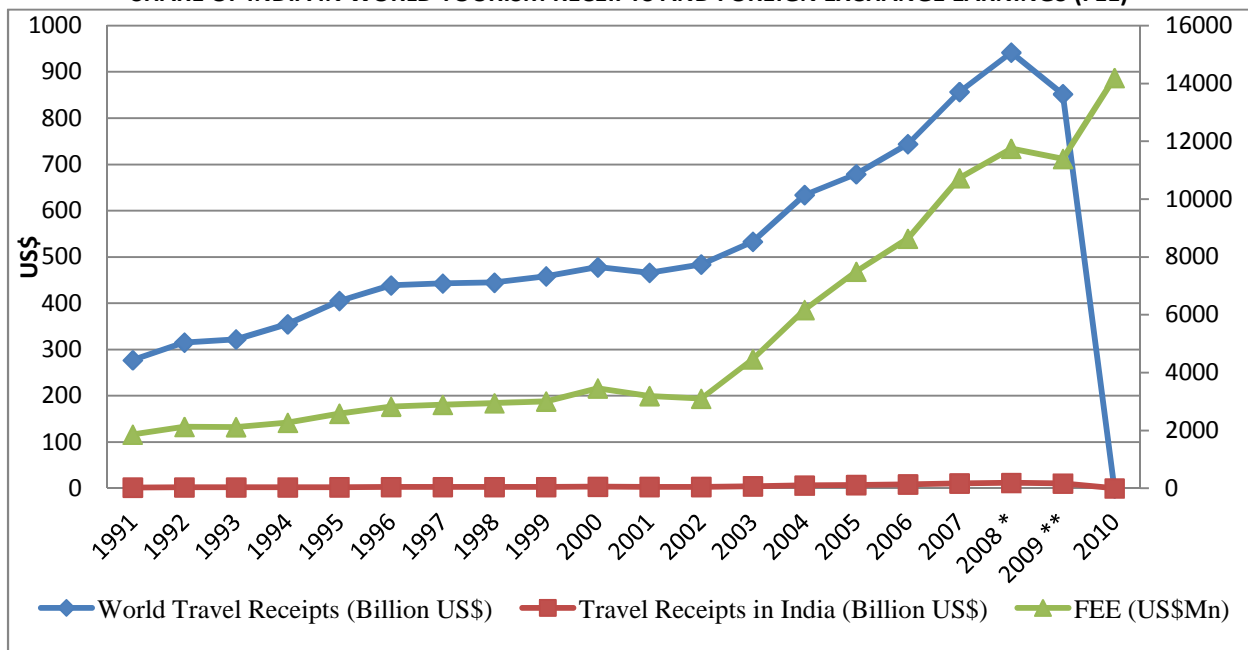
Domestic tourism is two important types like pilgrim and vacation tourism sector and it's very vast in the country promoted by various intents. A lot of scope is available for new businesses to enter and tap the segment. New business is having the high scope to enter and knock the part on this sector. Recent growing economic status of the middle class and rich population, outbound travel is on the mount. Though Thailand, Malaysia, and Singapore circuit the most favored destinations among the tourists, interest for off-track destinations are also increasing. Foreign tourist arrivals in the country have increased substantially during the past decade motivated by both, business and leisure needs and are further expected to grow at a CAGR of around 8% during 2010-2014, as per the new research report "Indian Tourism Industry Analysis."

TOURISM IN INDIA

Indian tourism sector is witnessing an extraordinary growth; visiting more no. of high-spending foreigners with lofty purchasing power of Indian middle class as well as promoting Incredible India of influential government campaigns etc. every state and districts are appreciate/launching tourist corporation through Indian governmental bodies.

India's amazing diversity offers to everyone everything could ever want in a holiday. The rate of success in the tourism sector is highly influenced by the instrumentality of supporting industries, such as hotels, transportation, IT and communication, banking, bio-technology and hospital, insurance or so. Hence, due to the possibility of vast development in these fields, here is a tremendous scope for this. Banks are opening/operating many international transaction from the foreigners, hotel and transportation facilities for move one place to another tourist place with international standards to attract the traveler savvy world-wide. India is the cynosure of Medical Tourists (MTs) amongst its competing countries, such as Thailand, Malaysia, Singapore, South Africa, Hong Kong, Philippines, Cuba, Hungary, Israel, Jordan, Lithuania, etc. Ahmadabad in the State of Gujarat is one of the major centers in India, in addition to Mumbai, Chennai, Bangalore, Delhi, Kolkata, etc.,

SHARE OF INDIA IN WORLD TOURISM RECEIPTS AND FOREIGN EXCHANGE EARNINGS (FEE)



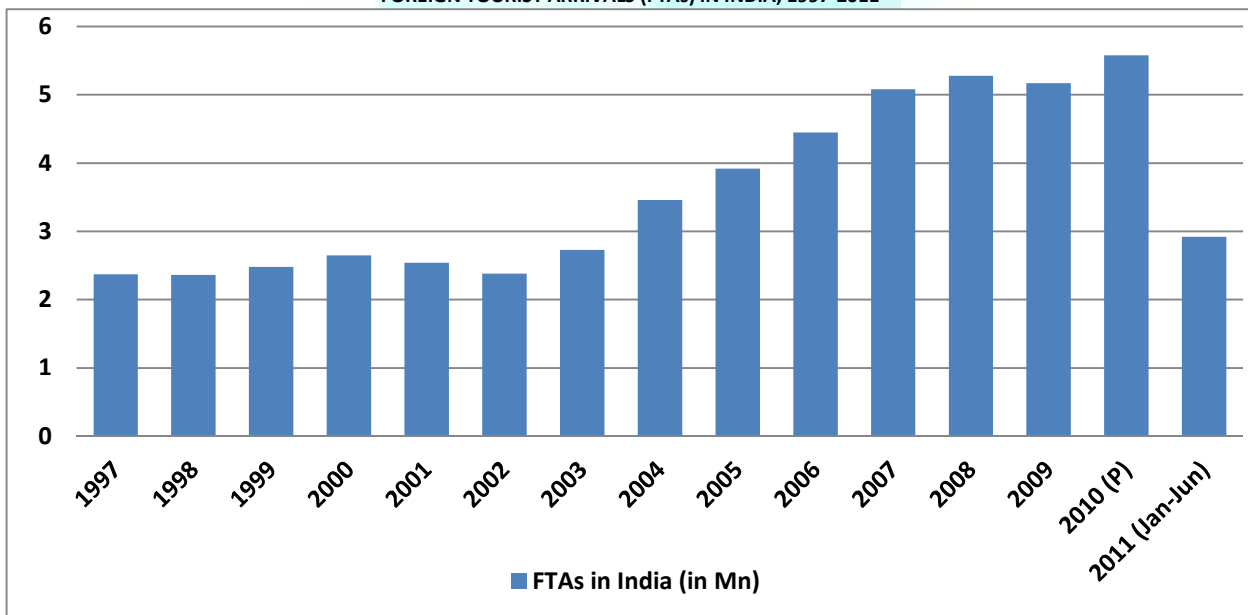
Note: * Revised Estimates, ** As per RBI estimates quoted in UNWTO Barometer June 2010. As per advance estimates of Ministry of Tourism

Source: Ministry of Tourism Govt. of India

TOURISM INDUSTRY IN INDIAN ECONOMY

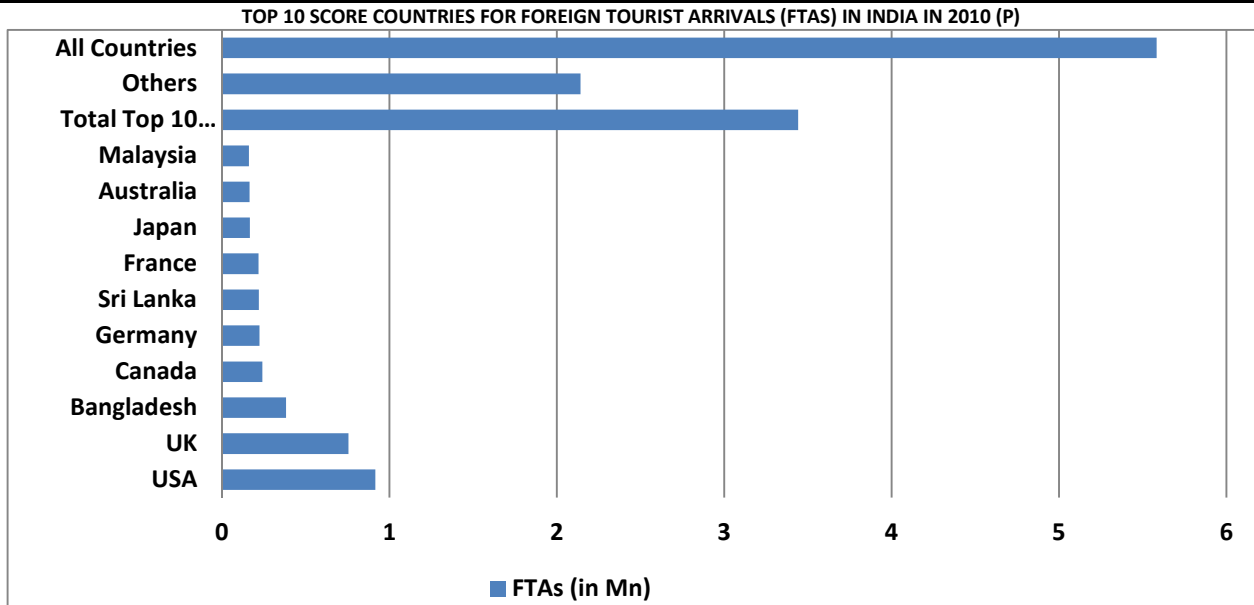
The tourism industry in India is substantial and vibrant, and the country is fast becoming a major global destination. India will be top most tourism hotspot as per World Travel & Tourism Council. The Foreign Tourist Arrivals (FTA) in India during 2010 were 5.58 million as compared to the FTAs of 5.17 million during 2009, showing a growth of 8.1%. Foreign exchange earnings from tourism during 2010 were 64889 crores as compared to 54960 crores during 2009, registering a growth rate of 18.1%. In addition, this industry has emerged as an instrument of income and employment generation, poverty alleviation and sustainable human development. Further, it contributing 6.23% to the national GDP and 8.78% of the total employment in India and almost 20 million people are now working in the Indian tourism industry. A number of reasons are cited for the growth and prosperity of India's travel and tourism industry. Economic growth has added millions annually to the ranks of India's middle class, a group that is driving domestic tourism growth.

FOREIGN TOURIST ARRIVALS (FTAs) IN INDIA, 1997-2011



Source: Bureau of Immigration & Ministry of Tourism, Govt. of India

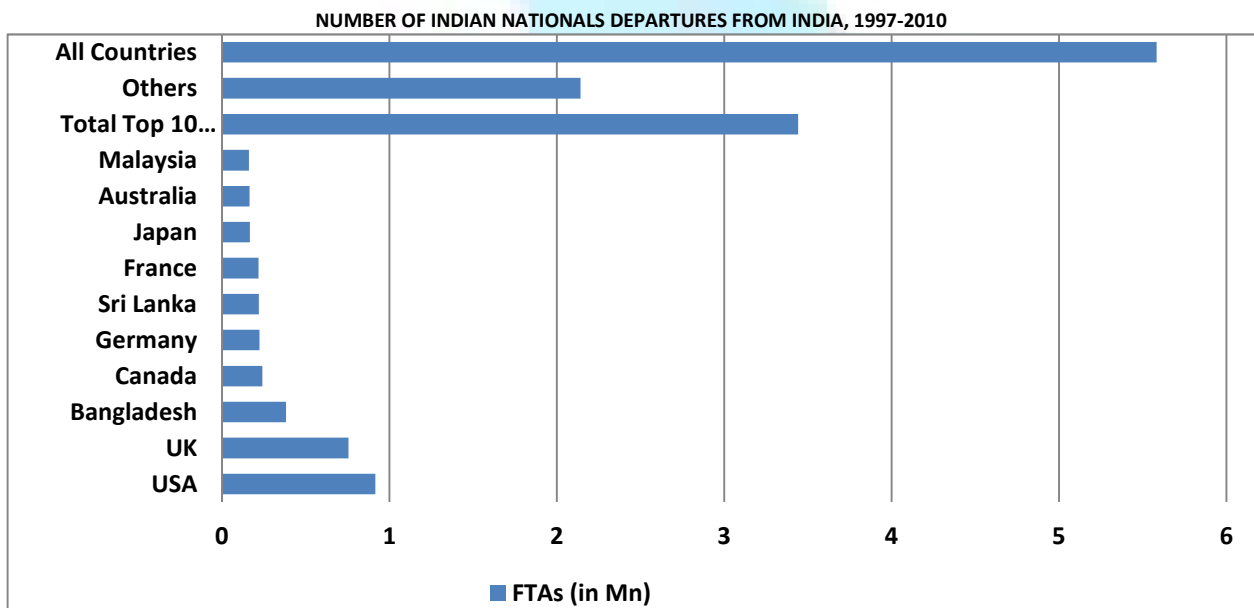
(P) Provisional, @ Growth Rate over Jan-June, 2010



Source: Bureau of Immigration, Govt. of India: (P)-Provisional

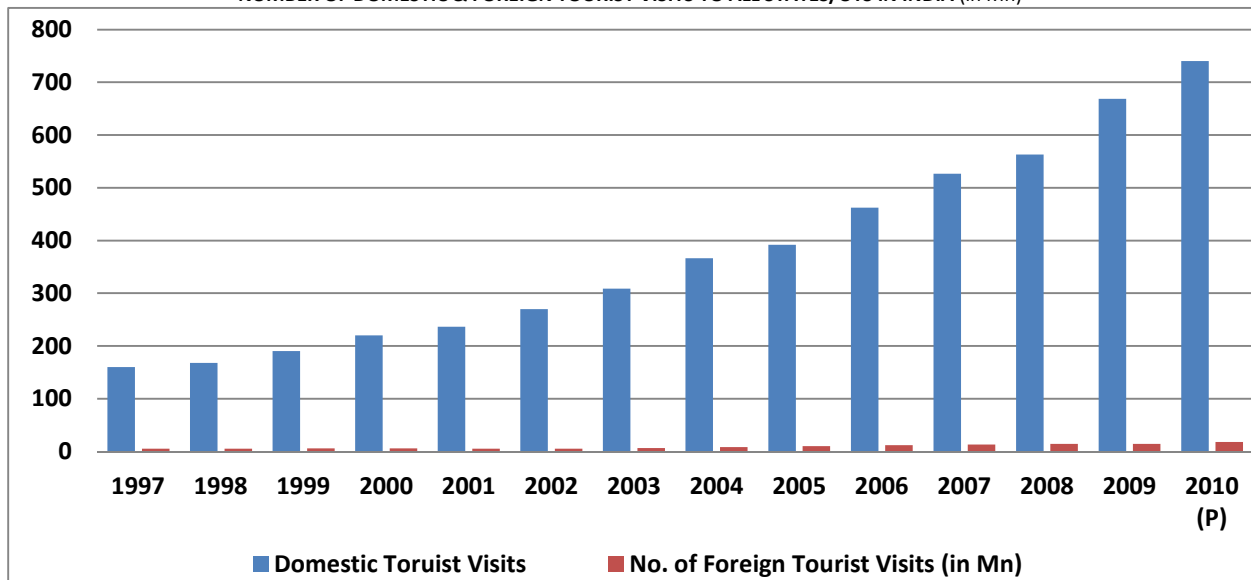
MEDICAL TOURISM IN GLOBAL SCENARIO

Many countries people head for India are UK, Bangladesh, Oman, Sri Lanka, Indonesia, Mauritius, Nigeria, Kenya, and Pakistan etc. The international patients can make decision by looking at the following chart, which shows their willingness to come to India for many type of surgery. India offers a real good cost advantage over the western countries. The below cost factor with other country becomes very important while formulating schemes to attract the Indian Diaspora as they generally compare the relative costs before going for treatment.



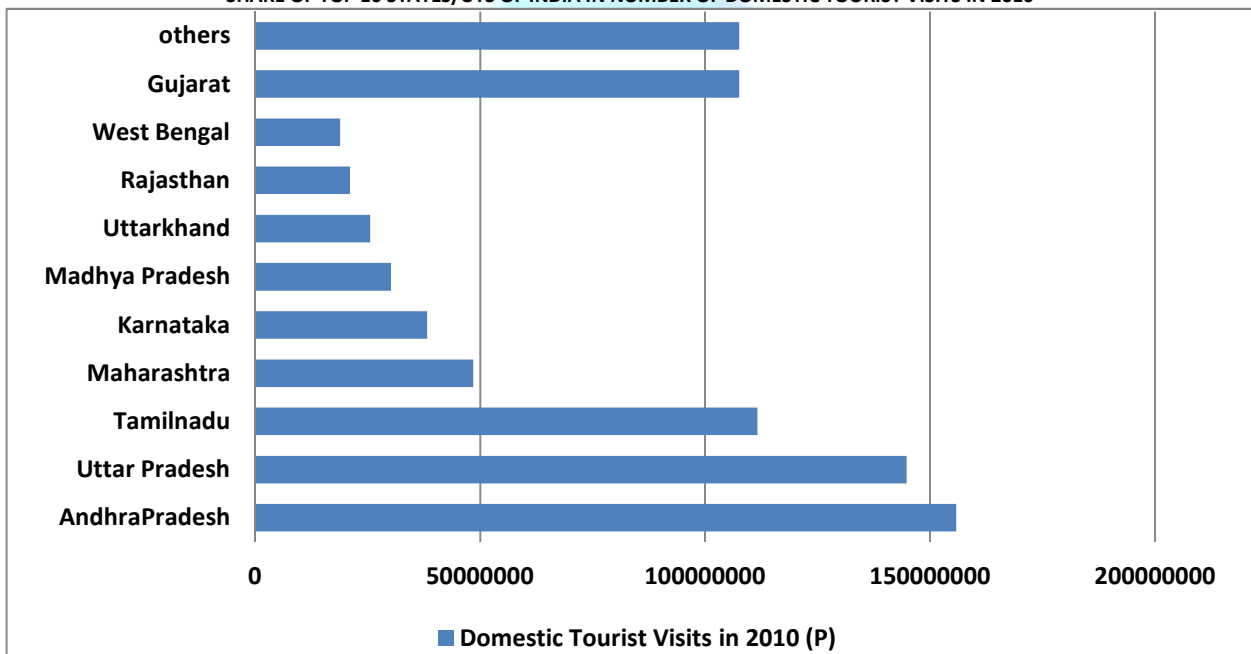
Source: Bureau of Immigration, Govt. of India: (P)-Provisional

NUMBER OF DOMESTIC & FOREIGN TOURIST VISITS TO ALL STATES/UTS IN INDIA (in Mn)



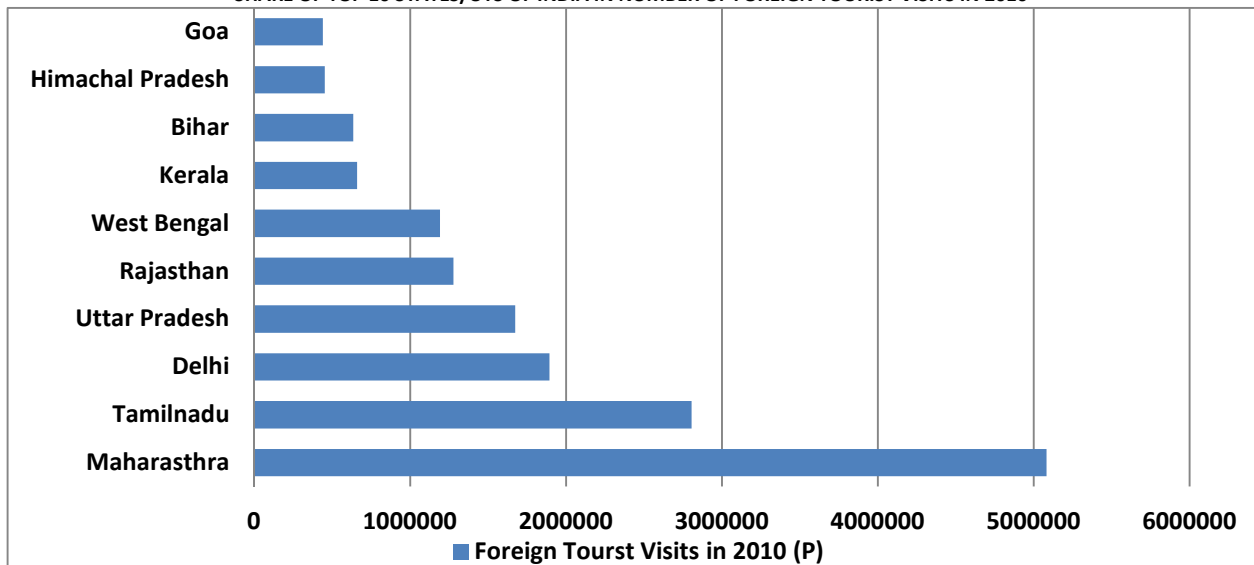
Note: Figures for Chhattisgarh has been estimated, ii. For some states data adjusted using the information with Ministry of Tourism, Source: State/UT Tourism Departments: (P)-Provisional

SHARE OF TOP 10 STATES/UTS OF INDIA IN NUMBER OF DOMESTIC TOURIST VISITS IN 2010



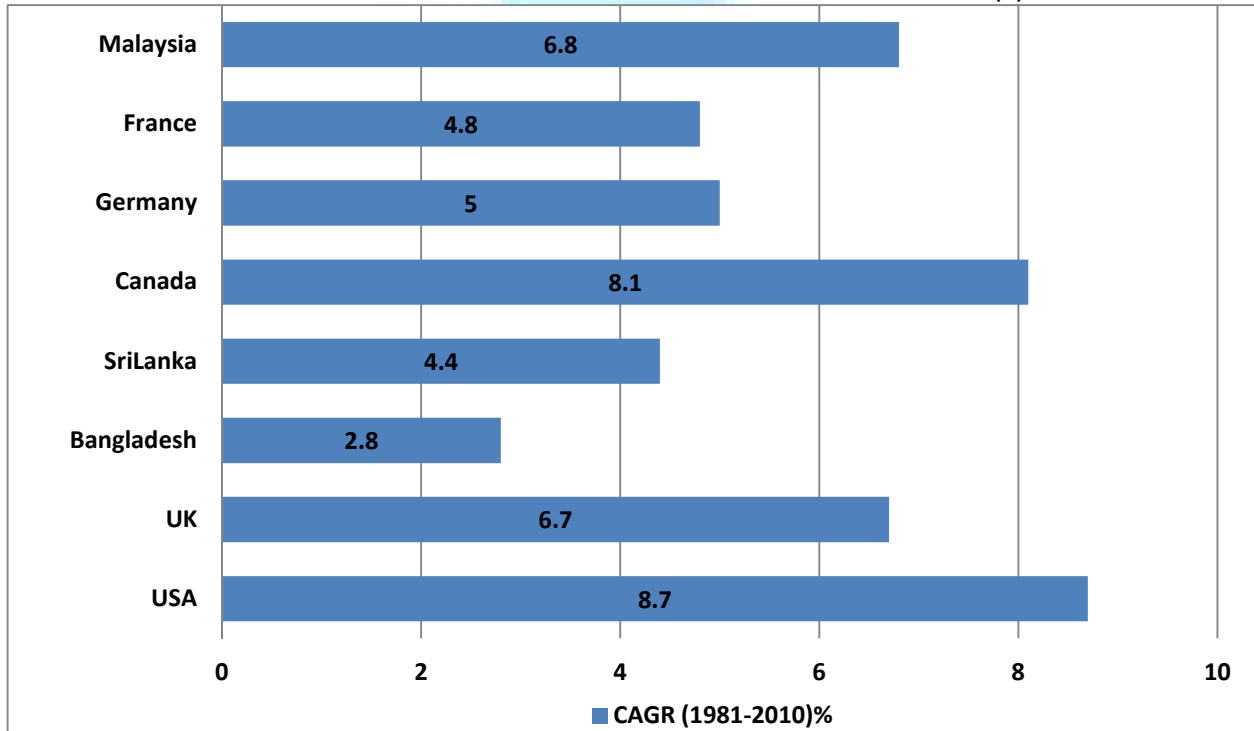
Note: Figures for Chhattisgarh has been estimated, ii. For some states data adjusted using the information with Ministry of Tourism, Source: State/UT Tourism Departments: (P)-Provisional

SHARE OF TOP 10 STATES/UTS OF INDIA IN NUMBER OF FOREIGN TOURIST VISITS IN 2010



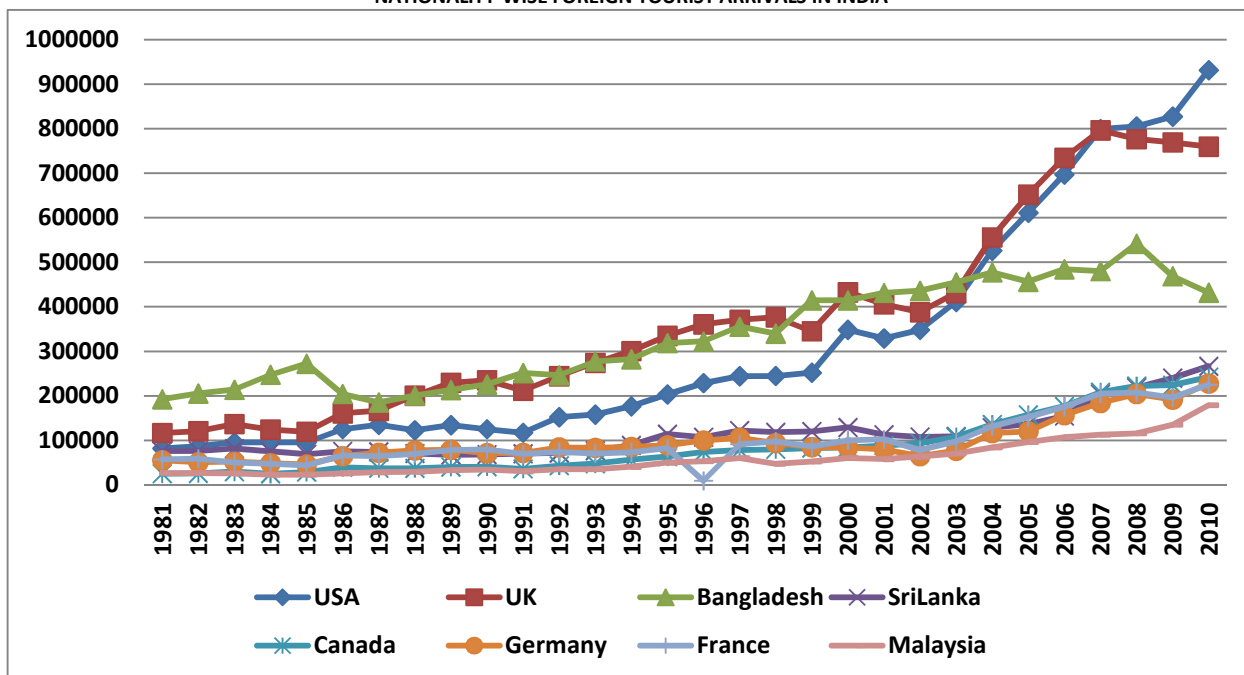
Source: Bureau of Immigration, India

COUNTRY-WISE FOREIGN TOURIST ARRIVAL IN COMPOUND ANNUAL GROWTH RATE (%)



Source: Bureau of Immigration, India

NATIONALITY-WISE FOREIGN TOURIST ARRIVALS IN INDIA



Source: Bureau of Immigration, India

MEDICAL TOURISM IN INDIA

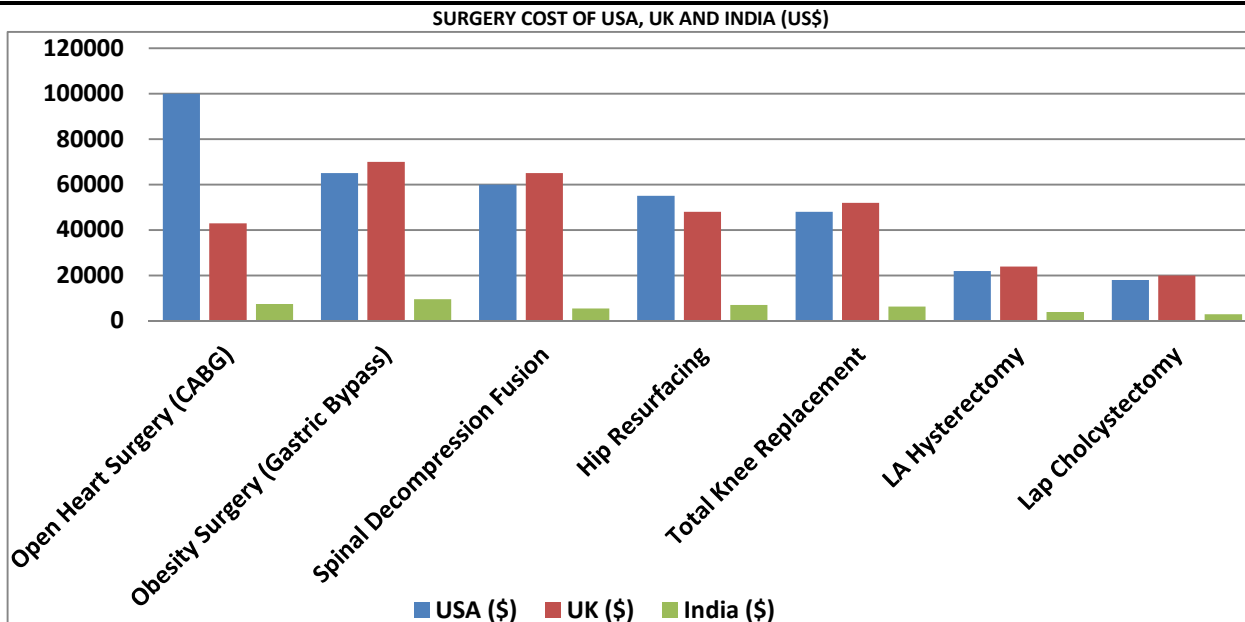
Medical tourism in India (medical travel, health tourism/global healthcare) is a rapidly-growing practice of traveling across international borders to obtain health care. India is one of the best places for the medical treatment as well as for health care in the world-wide. Every year thousands of visitors are coming to India from around the world just for the medical checkup and other type of surgery related to bone or liver or others diseases. At the same time, India is providing Thailand stiff competition in healthcare services for overseas patients with low cost of surgery by over 30% and in fact cheapest in entire Southeast Asia. Medical tourism is the fast emerging one, as well as big opportunity for India with its low cost advantage, high quality healthcare providers and English speaking populaces. Statistics suggest that the medical tourism industry in India is worth \$333 million (Rs.1450 crore) while a study by CII-McKinsey estimates that the country could earn Rs 5,000-10,000 crore by 2012. As per the prediction that, "by 2012, if medical tourism were to reach 25 per cent of revenues of private up-market players, up to Rs 10,000 crore will be added to the revenues of these players". According to the Government of India, India's \$17-billion-a-year health-care industry could grow 13 per cent in each of the next six years, boosted by medical tourism, which industry watchers say is growing at 30 per cent annually. Probably realizing the potential, major corporate such as the Tatas, Fortis, Max, Wockhardt, Primal, and the Escorts group have made significant investments in setting up modern hospitals in major cities. Many have also designed special packages for patients, including airport pickups, visa assistance and board and lodging.

MEDICAL TOURISM ATTRACTION WITH LOW COST AND HEALTHCARE

This sector is a propelling growth in the travel & tourism industry for the reason of heritage attraction, medical tourism and steady southward movement, etc. Another reason is travel of foreigner to India, offering surgery with the 30% discount, plus India has got the benefit of English speaking populace. India has got the specialist in around the world and in India as well and also has got the world eminent doctors & hospitals where all the services are provided to the patients. So when you can get the best health care in India then why not opt for India as the destination for medical treatment tourism. Medical Tourism is nothing but the provision of 'cost effective' personal health care in association with the tourism industry for patients needing surgical healthcare and other forms of dedicated treatment. It facilitated as both public and private hospitals. Medical tourism/Health treatment package has become a recurrent form of vacationing, covering a broad range of medical services. Plus, it mingles free time, amusing and recreation together with wellness and healthcare packages. Main thought, health holiday is offering a good chance to get away from your daily habitual and come into a dissimilar calming neighboring, concurrently to take pleasure from the close place of beach and the mountains. It is like reconstruction and cleans up process on all levels physical, psychological and expressive way. Foreigners are highly coming to India for upgrading promised by yoga and ayurvedic massage, but few of them consider, it a target for hip substitute or brain surgical procedure. However, a nice blend of top-class medical expertise at attractive prices is helping a rising number of Indian corporate hospitals attract foreign patients, including from developed nations such as the UK and the US. US and other well heeled nations with high Medicare package costs look for effectual options; India is ruted against Thailand, Singapore and some other Asian countries, which have good hospitals, salubrious climate and visitor destinations, most patients from Europe. While Thailand and Singapore with their advanced medical amenities and built-in medical tourism options have been drawing foreign patients of the order of a couple of lakhs per annum, the quickly growing Indian corporate hospital sector has been able to get a little thousands for cure. But, things are going to change radically in favor of India, particularly in view of the high eminence expertise of medical professionals, backed by the fast improving tools and nursing amenities, and above all, the cost-effectiveness of the pack up.

INDIAN MEDICAL TREATMENT WITH TOURISM

Once a year incalculable number of visitors from every corner of the map stream in India to respond to the call of inner sole, every calendar year telling authentic source. Medical treatment packages and their cost effectiveness is the main factor that makes India the health check up magnet in the map of global medical science. Once in India you can be rest assured about your proper diagnosis and medication. Furthermore, if situation demands, surgery packages are also within your reach. Medical Treatment in India is amid the best in the world, facilitated by the most skilled doctors and up to the minute super sphere hospitals of India. The fantastic specialty hospitals are the best in the world, offering treatments ranging from cardiology to cosmetic surgery packages. The Indraprastha Apollo Group of Hospitals is one of the most excellent in India, offering treatments ranging from ENT to neuro surgery packages to ophthalmology treatment packages to cancer treatment as the Official Healthcare facilitator for Apollo Hospital (medical tourism in India), plus Escorts Heart Institute that offers brilliant cardiac surgery packages, to the LV Prasad Eye Institute, famous for its proficiency in ophthalmology, etc (medical tourism in India). Indian medical treatments packages follow all the medical and legal guidelines, making for Indian medical tour comfortable and easy, and causing the least difficulty. From this reason, India is a clear winner when it comes to choosing a medical tour destination, particularly, outstanding pre and post operative care. Apart from, surgical and allopathic medical treatments, Ayurveda Resorts and Luxury Spa are available in India. It offers medical tour packages for Alternative medicine in India.



Source: Wockhardt Hospitals

Indian treatment cost is very less compare with other countries like USA, UK and other European countries. The above chart will prove the expenses of various surgery treatment costs from the wackhardt private hospital results. An open heart surgery cost in USA and UK costs US\$100000 and US\$43000 respectively which are 12 times more in case of USA and in case of UK it is 8 times more compare with India. As other treatment below can be seen where the cost has at least 5 times more in USA and UK. India is providing services at a low cost and has been a reason for rising medical tourism due the cost difference in both the countries.

OPPORTUNITIES

India is the amazing country among the world with lot of offers in tourism parts in different variety of tourism opportunities like; cultural tourism, educational, family, medical, religious tourism, nature based, adventure and many more. India having the more opportunities compare with other countries on the basis of lot of attractive places, high-tech facilities, good transport, attractive infrastructural development, multi-specialty hospital, medical facilities, international standards to attract the traveler savvy world-wide, low cost treatment compare with other countries like Thailand, Malaysia, Singapore, South Africa etc. statistical data suggests that the tourism industry making up 12% of GDP in the global scenario plus, more than 250mn people are engaged with tourism industry in the world-wide

- Future earning is highly from this tourism industry without huge investment, because India having naturally few tourist places with its geographical area.
- Tourism will bring foreign high-technology to our country from those, we have an improvement lot.
- Further it will bring good educational knowledge to our people from the foreign visitors
- Tourism directly or indirectly is providing more employment and its contributing very positively to our economic growth
- Tourism may develop high-tech infrastructural development to our country as well as it will help to eradicate the poverty in many ways
- It will create good network facilities with international level with local cuisines, local seller get a chance to sell their handloom products
- Estimates World Tourism Organization, international tourists will reach 1.56bn in its vision 2020
- India having the lot of opportunity in the e-business/e-banking tourism through payment facilities, skill availability, security, competitor’s technology, mistrust and Infrastructure cost.
- Furthermore, booming Indian IT and outsourcing industry has appreciative many foreigners to visit India on business purposes.

SUGGESTIONS

- Indian government should allow more MNCs in India as a global perspective
- Indian Tourism industry should take more pro-active role in framing the policies
- Indian Tourism should highly concentrate on the domestic tourist parts as well as concentrate on the infrastructural facilities like hotels, resorts, spas good roads, transport etc.
- Develop and promote the tribal area’s tourist places with lot of attraction particularly in north eastern states.
- India should maintain better relationship with neighboring countries for its zenith and global newer networks
- India should face the critical success factors in e-tourism like; target right customer, continuous innovation, tourism plan with clear vision, motivated team, foster customer loyalty, ability to sense and respond quickly etc.

CONCLUSION

Indian medical Tourism Industry having a lot of opportunities plus, it providing the major source of earnings, foreign tourist visitors to India with high travel receipts in the international patient market. Most of the foreigners are looking for the treatment with low cost, from this way only; India is concentrating to provide all facilities in various schemes as well as on budget also. Tourism industry overlooking on air travel, local transportation, translation services, air-conditioned five-star hotels with accommodation, jointly with their personalized choice of global food. India attracting the tourists in the way of providing the patients through healthcare services using expertise and professionalism of Indian medical staff etc. The medical tourism industry offers high potential for India primarily because of its inherent advantages in terms of cost and quality. Compare with competition countries like USA, UK and other Asian countries, Indian healthcare providing the low cost surgery with good patients. In the future it may be attract whole over the world in this Indian medical tourism industry and it will provide better long run revenues.

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