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Editor Desk ✍

Greetings….

It is true our economic growth activities going through turbulent phase from past two years (Growth from 8.5 to 2.5) it does not mean the end of the story.

I believe this is the phase, we can foresee the emerging face of innovative management practices. The present day executive are eager to rewrite rules to sail on the tides of success.

I consider today is very humbling for me to request, all of you to bestow your invaluable guidance to build to heralded new management direction, which can be achieved by inspiriting imaginative and innovative articles. Let the articles of us, so the seed in young executive mind which brings the best in them.

The lasting effects of this organization past accomplishments stand as testaments to the belief that a small group of committed individuals can make a difference. As we move forward, our emphasis will continue on creating young, vibrant and dedicated Managers and Leaders, intellectually and emotionally competent to meet the challenges of organizational nuances both at national and international level.

Entering its second year, the academy remains deeply rooted to its commitment on building a legacy of impacting quality of life in this region.

Finally, I truly believe in the African proverb - "**If you want to go fast, go alone. But if you want to go far, go together.**" Indeed, we want to work together with all of you to proceed as far as our vision, mission, talents, resources, and dreams lead us. With your support, the only direction we can go is onward and upward.

With Regards

T. Rajeswari

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Contents

IMPACT OF SPIRITUAL ORIENTATION ON ORGANIZATIONAL COMMITMENT AND EFFECTIVENESS

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Abstract

The quality of work life in an organisation is greatly influenced by the spiritual and ethical values prevalent in the organisation. Spirituality is believed to enhance organizational learning unify and build communities, serve the need for connecting to others at work, and to work itself, and is the source of a healing and harmonizing expression of compassion, wisdom, and connectedness that transcends all egocentric, socio centric, or anthropocentric forms. In the present study, the data were analysed in two stages, one with a view to validating the scale of organizational commitment developed by Porter et al, (1974) and analyzing the validity of the scale for measuring spiritual orientation by the authors for the purpose of present research. Secondly, data were analysed to study relationship between commitment and spiritual orientation alongside the role of satisfaction with supervision and effectiveness.

Key words: *Spirituality, value centered, spiritual fulfillment, organizational commitment*

Introduction

Spirituality enriches and illumines the lower principles by the subsequent higher principles. Spiritual life is a vastly richer and superior life still undreamt of by man (Bishwanath Ghosh, 2009). Spirituality is the goal of all existence according to the Upanishads, and karma yoga is a simple means to enhance spirituality. It was hypothesized that karma yoga enhances spirituality, transformational leadership enhances karma yoga and spirituality, and all the three in turn enhance organizational identification and normative organizational commitment. Spiritual values at work are the valuable and effective factors that can escalate this commitment. We must not forget Vivekananda's prophecy – increase in knowledge and power without holiness makes devils of human beings (Biswanath Ghosh, 2005). Wise people all over the world had consistently adopted "perfection" and not "success" as the goal of human life. The perfection is spiritual and value-centered (Biswanath Ghosh,2005) where as success is material and skill – centered. It remains a fact that leaders have a central role in the evolution of integrating spirituality at work and instilling a sense of the spiritual realm at the individual, team, and organizational level.

Organizational Commitment Outcomes and Dimensions

Commitment is an important construct in improving employee performance (Mowday, Porter and Dubin,1974). Moreover, commitment acts as an indicator of organizational effectiveness and is a predictor of turnover (Steers, 1977). Cohen (2003, p18) states that "organizations whose members have higher levels of commitment show higher performance and productivity and lower levels of absenteeism and tardiness". This implies that employees with a high level of commitment tend to take greater efforts to perform and invest their resources in the organisation (Saal & Knight, 1987). "Relationship between commitment and satisfaction with one's job indicates that if employees are satisfied they develop stronger commitment to their work. Spector (1997) states that job satisfaction influences people's attitude towards their jobs and various aspects of their jobs.

However, there is need to explore the Organisational Commitment conceptually because of lack of consensus among the scholars. Organizational commitment has been considered as a multidimensional construct. Porter et al (1982) and Reichers (1985) defined organizational commitment as acceptance of organizational goals, willingness to concentrate considerable effort towards helping the organization achieve these goals and a desire to stay in the organization. Porter and Smith (1970) defined organizational commitment as the "relative strength of an individual's identification with and involvement in a particular organization." According to Mowday, Steers, Porter(1979), the definition of organizational commitment focuses on "overt manifestation of commitment" in which individuals 'choose to link themselves to the organisation'.

In this context Sharma and Singh (2013) have shown that organizational commitment consists of two dimensions namely motivational-commitment and Commitment-to-stay. They state that two sets of behavior are essential for the successful functioning of an organization. First, an organization must be able to motivate people to stay within the organization and second, it should be able to motivate them strongly. Spiritual orientation may be hypothesized to influence both these dimensions.

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Relevance of Spirituality

Reave (2005), mentioned that there is consistency between spiritual values and practices and effective leadership. Values such as integrity, honesty and humility, which have long been considered as spiritual ideas, are demonstrated to have an effect on leadership success. Similarly, practices traditionally associated with spiritual as demonstrated in daily life have shown to be connected to leadership effectiveness (Fry 2005). Leaders who emphasize spiritual values are often able to awaken a latent motivation in others that has been found to increase both their satisfaction and productivity at work. They have been proven to be associated with increased worker satisfaction and motivation, greater productivity, greater sustainability, and enhanced corporation reputation, which in turn have all been linked to increases in the bottom line of profits (Fry, 2005).Spirituality makes the employee experience a sense of purpose and meaning in their work and a sense of connectedness to one another and to their workplace community (Mitroff and Denton,1999,Milliman et al.,2003). Therefore, spirituality is likely to motivate employee to stay in the organization for a longer period of time (Commitment-to-stay)as well as work harder and be loyal to it (motivational-commitment).

Spirituality at work is not about religion, or about getting people converted to a specific belief system (Laabs, 1995; Cavanagh, 1999). It does not necessarily involve a connection to any specific religious tradition, but rather can be based on personal values and philosophy. It is about employees who view themselves as spiritual beings whose souls need nourishment at work, who experience a sense of purpose and meaning in their work, and a sense of connectedness to one another and to their workplace community (Mitroff and Denton, 1999; Ashmos and Duchon, 2000; Harrington et al., 2001; Milliman et al., 2003).

Spirituality in the workplace leads to intuition, which in turn leads to creativity (Freshman, 1999). When employees are allowed to bring the spiritual side of themselves to work, they become more creative, which leads to happiness and satisfaction (Turner, 1999). This will result in financial success for the organization (Thompson, 2000; Turner, 1999). Neck and Milliman (1994) found that spirituality positively affects organizational performance. Research also found that organizations that promote spirituality report increases in creativity, satisfaction, team performance and organizational commitment (Freshman, 1999; Turner, 1999).

Dimensions of Spirituality

Fisher (1998) proposed the following four domains of spiritual orientation:

1. Personal domain wherein one intra relates with oneself with regards to meaning, purpose and values in life. The human spirit creates self-awareness relating to self-esteem and identity.

2. Communal domain is expressed in the quality and depth of inter-personal relationships, between self and others, relating to morality and culture. This includes love, justice, hope and faith in humanity.

3. Environmental domain includes past care and nurture for physical and biological, to a sense of awe and wonder, for some, the notion of unity or connectedness with the environment.

4. Transcendental domain denotes the relationship of self with something or someone beyond the human level, a transcendent reality, or God. This involves faith toward, adoration and worship of the source or mystery of the universe.

The quality of relationship in each domain constitutes a person's spiritual well being in that domain. The four domains are not isolated, but are interrelated. Therefore spiritual well being is enhanced by developing positive relationships in each domain and increased by embracing more domains.

Present Study

Spirituality enhances an opportunity to grow and contribute to society in a meaningful way and makes people being true to themselves and to others. It has been found there is a positive relationship between the qualities of spiritual leadership and organizational commitment (Fry et al. 2005). Spiritual orientation creates vision and value congruence across the strategic, empowered team and individual levels and, ultimately, fosters higher levels of organizational commitment and productivity. A highly motivated employee (employee with motivational-commitment), if stays in the organization over a long period of time (employee with Commitment-to-stay), contributes positively and strongly towards the organizational growth. This relationship may be because of satisfaction with supervision. A spiritual leader makes an employee feel motivated which is vital to an organization's success. And so, their spiritual orientation improves the probability of satisfaction with supervision. It has been seen that encouraging spirituality in the workplace can lead to benefits such as commitment and lower intention to leave the workplace, more motivation, as well as higher performance and productivity (Fatahi,1385). Spiritual values have led to leaders being judged as more effective, and these effective leaders have been proven to increase worker satisfaction and motivation (Reave (2005), thus improving the probability of effectiveness in organizational setting. In the light of above , the present study aims at

examining the impact of spiritual orientation and two dimensions of organizational commitment namely motivational-commitment and Commitment-to-stay on one hand as well as on satisfaction with supervision and effectiveness on the other. The idea is to explore whether spiritual orientation improves organisational commitment dimensions by increasing satisfaction with supervision and eventually results in effectiveness.

Method

Data were collected on organizational commitment, spiritual orientation, satisfaction with supervision and effectiveness from 412 middle level managers in different industries in North India. Of these 238 were usable. Mean age of respondents was 42 years.

Instruments

Spiritual Orientation dimensions as described by Fisher were measured with the help of a scale developed for the present study. Its reliability and validity were examined with the help of structured equation modeling described in following paragraphs. The reliability of scale as Cronbach's alpha is .945.Organisational Commitment is measured with the help of scale developed by Porter et.al, 1974.Satisfaction with Supervision is measured with the help of Single item scale."How much satisfied are you with the supervision"? Cronbach's alpha is .903.

Data Analysis

Data analysis was undertaken in two stages – In Stage One, the data were analysed with a view to identifying the underlying dimensions as also validating the organizational commitment Scale created by Porter et al, (1974) and analyzing the validity of the scale for measuring spiritual orientation developed by present authors for the purpose of this research. In Stage Two, data were analysed to study relationship between commitment and spiritual orientation alongside the role of satisfaction with supervision and effectiveness.

Stage One: In the first stage, effort was made to explore the dimensions of organizational commitment construct. The research question pursued was ; Is organizational commitment a multidimensional construct, comprising motivational commitment and commitment to stay, dimensions as observed by Sharma and Singh(2013) and angel and Perry (1981). For this purpose, exploratory, principal component, factor analysis was employed to determine the underlying dimensions as well as to determine the extent to which the dimensions of commitment construct were disciminant. Following Churchill (1979), one objective of principal component analysis, PCA, was to identify and eliminate items that do not load on the constructs. It is known that PCA can be performed by rotating the axes so that the variance

accounted for by the variables can be redistributed among factor having eigen values greater than one.

The rotation can be orthogonal or oblique. Orthogonal rotation assumes that constructs are not correlated. In case, there is sufficient theoretical evidence establishing presence of high correlation between constructs, oblique rotation is more appropriate (Kerlinger,1986 and McDonald ,1985). If there is no theoretical justification for the presence of causality between organizational commitment constructs varimax rotation is more appropriate owing to its orthogonal character. While many authors have highlighted multidimensional character of organizational commitment, as described above, no study has dwelt on the presence of causal link between/among its dimensions. Therefore, we have employed varimax rotation method for the purposes of present study.

Similarly, to measure spiritual orientation, items were written on the basis of aspects and details of spiritual orientation given by Fisher(1998) to capture the force of suggested constructs. All items were positive. The PCA was performed in respect of these also. However, we have assumed that the four aspect of spiritual orientation namely Personal domain, Communal domain, Environmental domain, Transcendental domain, have causal relationship. The relationship is assumed to be axiomatic (Bimal krishna Matilal,2002).Therefore, spiritual orientation constructs constitute a model of causally linked variables.

In statistical terms it implies, presence of positive correlation among them. As stated above, under these conditions Kerlinger (1986) and McDonald (1986) recommended the use of oblique rotation. Dilon and Goldstein (1984) suggest that in case of causally linked variables easily interpretable factors emerge if oblique rotation is applied. However, there is no clear theoretical basis available to determine specific degree of obliqueness. Therefore, in the present study the authors have employed default degree of rotation used by SPSS statistical package. SPSS uses delta value of zero.

Second part of Stage One of data analysis consisted of using a confirmatory factor analysis, CFA. It was accomplished using structural equation modeling for analyzing convergent and discriminant validity of items which constitute the sub constructs within each of the four proposed higher level spiritual orientation constructs, Personal domain, Communal domain, Environmental domain and Transcendental domain.

For this purpose, path diagram was generated for each item using LISREL 8.3. To assess the model fit of structural equation modelling, different indices were employed such as Goodness of fit index (GFI) , Normed fit index (NFI), Adjustment goodness of fit, Comparative

fit index (CFI) and Root mean square of approximation (RMSEA). These indices were interpreted according to the standards suggested by scholars to assess and make inference about appropriateness of model-fit. For instance, (Gefen, et.al., 2000) recommend that if value of GFI, NFI and CFI is more than 0.9 presence of good model fit can be assumed. In case of Adjustment goodness of fit (AGFI): It is regarded as good if it is more than .8. (CFI), if it is greater than .9 and as close to 1 it is the better is the fit. RMSEA should be lower than 0.08 which implies a good fit, however, a value less than 0.05 indicates excellent fit. (Browne and Cudeck 1992). RMSEA is specially used for determining the number of latent sub constructs within a higher level construct (Steiger and Lind, 1980). The principle is as follows: generally, lower the value of RMSEA better is the fit. If an additional sub- construct (an item in our case) results in decrease in RMSEA along with a substantial reduction in minimal population discrepancy function; then the sub-construct can be considered to be part of the higher level construct. On the other hand, increase in RMSEA is inevitably accompanied by slight decrease in minimal population discrepancy function; it implies that additional sub-construct/item is not a valid constituent of higher level construct.

Livens and Vankeer (2001) therefore argue that RMSEA along with minimal population discrepancy function may be utilized as guide for deciding the number of optimal sub-construct. Following Gefen.et.al (2000) and Anderson and Gerbing (1988), convergent validity can be assessed with the help of three criteria: First, lambda coefficient of each item must be greater than 0.70. Second, each path loading should be more than twice the standard error (the thumb rule for deciding significance of regression coefficients). Thirdly, t statistic for each path should also establish significance at 6% level of significance. It is known that if inter- correlations are less than 0.60 we may accept the presence discriminant validity among latent variables (Karlsons et. Al, 2000). In case inter-correlations are more than 0.6 (Sharma, 2000) suggests a constrained validity method. In this method, correlation between one pair of variable is set equal to unity. Model is then run again. For example, if personal domain and communal domain have a correlation higher than 0.6, the model shall be run again by setting correlation between these two equal to unity. The results from constrained model and the original model are then compared with the help of chi-square difference test suggested by Anderson and Gerbing,1998. If the difference is found to be significant in favour of original model, researcher may conclude that there is sufficient evidence in favour of the existence of discriminant validity. Gefen et.al, 2000 has suggested a similar but more rigorous approach. He suggests running models by

combining two or more latent variables into one and comparing the results with the original model. The results of original model with sub-constructs modeled separately are compared with models combining the sub-constructs. Comparison is made regarding which one provides better fit. This is done by employing chi-square test of difference. If the test shows original model to possess better fit than the combined model presence of dicriminant validity is established.

Stage Two: In second stage of data analysis relationship between organizational commitment and spiritual orientation were examined. For this purpose, logistic regression method was adopted. This method was chosen for two reasons. First, when the data set was partitioned as per the principal components analysis results of organizational commitment scale, the dependent variable demonstrated severe hetroscedasticity. It was, therefore, deemed appropriate to convert dependent variable responses (Dimensions of Organisational commitment) into binary responses, zero and one. Number 1 was assigned to a response which was greater than or equal to 3 and number 0 was assigned to responses with score less than 3. The binary responses are hetroscedastic. Logistic regression model uses observed probability of occurrence of dependent variable as weight during the estimation procedure (see Gujrati and sangeeta, 2007, Pg 212). This results in transformation of dependent as well as independent variables. This resolves the problem of hetroscedasticity not only in dependent but also in independent variables. Secondly, the coefficients obtained through logistic model cannot be interpreted as slope coefficients, as we do in case of ordinary least square estimation. The coefficient cannot be used for estimating or predicting the value of dependent variable. Instead, these can be used for finding the probability that the dependent variable will attain the value 1. To be specific, in our case, coefficient can be used to find the probability or odds in favour of dependent variable assuming a score greater than 3 on Likert scale. A little reflection would reveal we had effectively divided the response on dependent variable into High and Low. These were converted into binary responses numerical value 1 and 0 respectively. Thus beta coefficients of logistic regression are used for finding the probability or odds ratio of occurrence of High value of dependent variable. If the coefficient is positive it means as value of regressors increases, odds that the regressand (dependent variable) equals one increases; if it is negative the odds that the regressand equals 1 decreases as the value of independent variable increases (Gujrati and sangeeta,2007, Pg 609).

With a view to evaluating the predictive efficacy of Logit Model, a number of test statistics were employed. First, Likelihood Ratio statistic was calculated to test the

significance of regression model as a whole. LR statistic is the equivalent of F test used in OLS model. LR statistic tests the null hypothesis that all slope coefficients are equal to zero. Secondly, proportion of correct predictions made by our Logit Model was calculated. Thirdly, Mc Fadden R2 was also calculated to examine the proportion of variation explained by Logit Model. It must however be noted that goodness of fit is of secondary importance in models using 1, 0 binary responses as dependent variable. The signs and significance of coefficients is more important. Lastly, odds ratio were calculated. The odds ratio provides numerical measure of the relative probability. It is the ratio of probability that value of regressand will be 1 to the probability that it will be 0. An odds ratio greater than 1 means the event is more likely to happen than not. If odds ratio is less than 1 , the event is less likely to happen than not. Say odds ratio is 1.11, it implies that there is a 1.11 times greater chance that a given respondent has scored High on dependent variable. Also, we may say that odds in favour of scoring High increases by 1.11 or 11% for a unit increase in independent variables. Likewise, if odds ratio is, say, .85, it implies that there is .85 times greater chance that the respondent scores Low on the dependent variable.

Results and Analysis

In the first stage of data analysis, as a first step, data on organizational commitment scale was subjected to principal component analysis (PCA) with Varimax Rotation to identify the factor structure of the construct and to examine whether data suffered from the problem of common method variance. Results presented in Table 1 shows that there are to clear factors underlying the construct of organizational commitment. Barlette's Test of Sphericity has Chi-square value 2879.32 (P< .01). Likewise KMO Test of sampling adequacy is .789. Both tests approve the use of PCA. The two factors account for 81.24% of total variance with 55% on first dimension and 25.76% on the second dimension. After Varimax Rotation the Variance got distributed between two dimensions as 45% and 36% respectively. Since most of the variance was not accounted for by one factor and as per Harman (1967) One Factor Test, there were as many as eight factors, with one factor accounting for more than 10% (12.86%). These findings show that our data do not suffer from common method variance. Thus, our subjects differentiated between two dimensions of organizational commitment effectively.

Next step was to work on the scale to measure spiritual orientation. In the first part of analysis, twelve items representing four sub-constructs of spiritual orientation were subjected to Principal Component Factor Analysis using Oblique Rotation as explained previously. Berlette Test (Chi-square 2841.35 (P<.01) and KMO Test Statistic (.9102) showed that data were appropriate for PCA. The objective of PCA was to identify non-discriminating items having loadings on more than one factor or having lower loading than the criterion, on the intended dimension. There was no item having confounded loadings like these. In fact no item had cross- loadings above 0.4 on different constructs of our scale (see Table 2). The criterion 0.4 was used following Haire et. al. (2008). **(Table : 1)**

Table : 1 Principal Component Factor Analysis of Modified Organisational Commitment Questionnaire (Varimax Rotation)

1.	I would accept almost any type of job assignment in order to keep working for this organization.	.119	.614
2.	I feel very little loyalty to this organization. (R)	.131	.425
3.	I talk up this organization to my friends as a great organization to work for.	.222	.651
4.	I am proud to tell others that I am part of this organization.	.321	.611
5.	I could just as well be working for a different organization as long as the type of work was similar. (R)	.182	.632
6.	I am extremely glad that I chose this organization to work for over others I was considering at the time I joined.	.218	.893
7.	For me this is the best of all possible organizations for which to work.	.301	.497

8.	I am willing to put in a great deal of effort beyond that normally expected in order to help this organization be successful.	.298	.765
9.	I find that my values and the organization's values are very similar.	.761	.314
10.	This organization really inspires the very best in me in the way of job performance.	.787	.287
11.	There's not too much to be gained by sticking with this organization indefinitely. (R)	.775	.334
12.	Often, I find it difficult to agree with this organization's policies on important matters relating to this organization. (R)	.741	.115
13.	I really care about the fate of this organization.	.824	.294
14.	Deciding to work for this organization was a definite mistake on my part. (R)	.512	.231
15.	Deciding to work for this organization was a definite mistake on my part. (R)	.639	.199

Table : 2 Results of Factor Analysis of Spiritual Scale Items (Oblique Rotation)

Personal Domain				
PD 1. I Introspect impact of my words or actions or both on others	0.671	0.101	0.249	0.11
PD 2. I remain surrendered to higher power	0.51	0.117	0.288	0.102
PD 3. I remain in witness state	0.715	0.121	0.234	0.003
Community Domain				
CD 1. I love all beings	.112	0.823	0.516	0.098
CD 2. I easily forgive others.	0.087	0.765	0.349	0.087
CD 3. I have faith in higher power and I experience it.	0.223	0.547	0.143	0.12
Transcendental Domain				
TD 1. I believe humans and all other beings are part of an integrated whole.	0.219	0.156	0.711	0.012
TD 2. I feel presence of higher power in all events and beings.	0.312	0.123	0.631	0.087
TD 3. Worship/prayer/meditation for inner growth are an important part of my life	0.108	0.233	0.561	0.118

Environmental Domain				
ED 1. I enjoy success of others as it is manifestation of higher power.	0.265	0.213	0.286	0.528
ED 2. I truly and genuinely respect nature and environment .	0.167	0.239	0.256	0.641
ED 3. I deeplyadmire all creation as a miracle	0.203	0.222	0.321	0.668

(Primary Data)

Results of confirmatory factor analysis are presented in **Fig : 1** It can be observed from the note to the figure that goodness of fit statistics satisfy their respective norms for accepting the existence of goodness of fit . GFI (.96), NFI (.98) and CFI (.99) are above the criterion value 0.9. AGFI is also above 0.8. RMSEA is 0.043 which implies "excellent" fit. Thus, there is sufficient evidence to establish that the model has goodness of fit. As stated above convergent validity was assessed with the help of three criteria. The Lambda Coefficients of each item were greater than 0.7. They ranged between 0.7 and 0.94. Path coefficients were significant at 1% level of significance except two which had $p<0.05$. Third criterion was also satisfied as Path coefficients were more than twice the standard error. The Standard error ranged between 0.03 and 0.10.

Fig : 1 Results of Confirmatory Factor Analysis

Chi Square= 134.25; df = 48; p value= 0.0000; RMSEA = .043; GFI = .96; AGFI = 97; NFI= .98; CH= .99
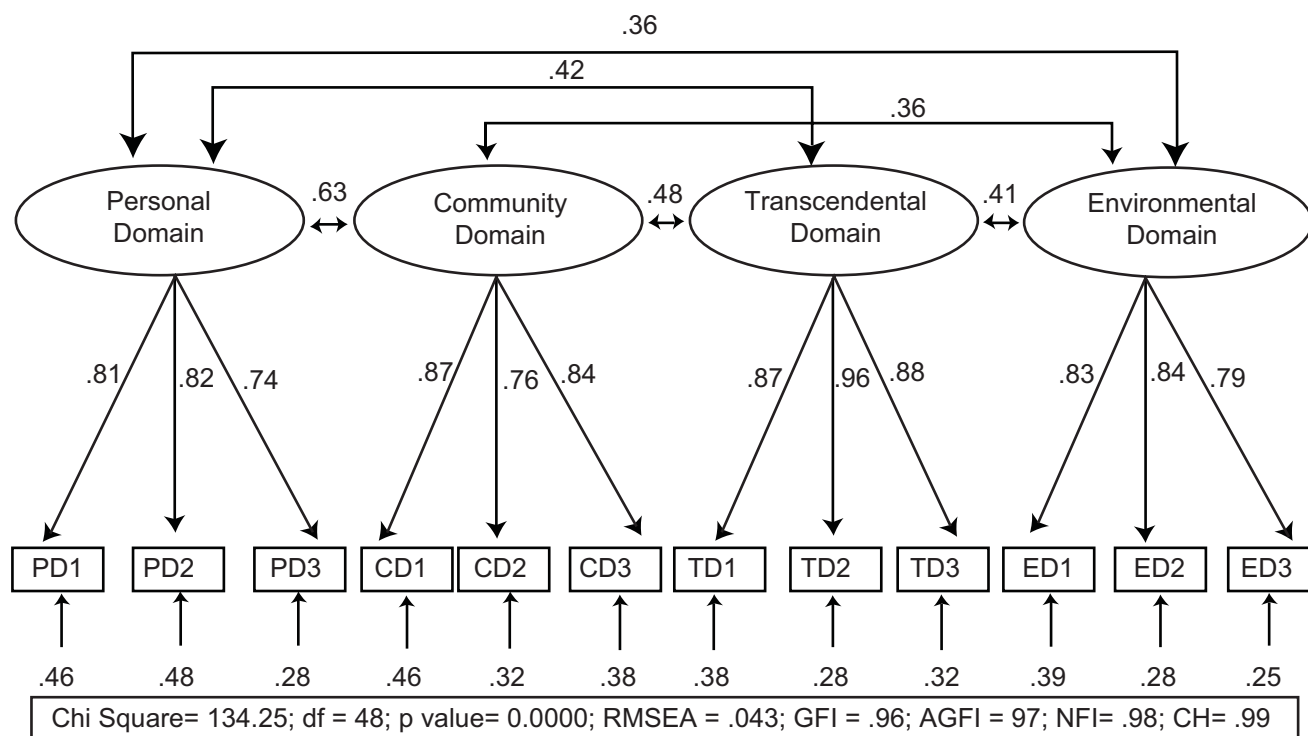
As for the discriminant validity of the constructs, it can be observed from Fig. 1 that inter – correlations between latent variables were less than 0.60 between five out of six pairs. One pair consisting of Personal domain and community domain had higher correlation 0.63. Therefore, as suggested by Sharma (20000, constrained models were run constraint being: setting the correlation equal to unity between one of the pairs of four constructs. There were four sub constructs of spiritual orientation. Therefore, six pairs can be found. We ran six constrained models. Each time correlation of one pair was set equal to unity. The Chi-square value obtained for constrained model was found to be significant (p<0.001). The result support discriminant validity. As explained above following Gefen et.al. (2000), we ran another model by combining the two highly correlated sub-constructs namely Personal Domain and Community Domain into one variable. The results were compared with the original model employing Chi- square Test of difference. The model fit statistics of combined model were RMSEA =

0.13, GFI= 0.64, NFI= 0.79, CFI= 0.81. Thus, goodness of fit statistics worsened when the two sub- constructs were combined. Chi- square Test of difference also showed original model was better than the combined model. In the second stage of data analysis impact of spiritual orientation on dimensions of organizational commitment, satisfaction with supervision and effectiveness were examined with the help of Logistic regression Analysis.

First, regression was run with motivational commitment as regressand and four dimensions of spiritual orientation as predictor variables.Hypothesis 1 is being supported and shown in Table 3. The Likelihood Ratio Statistic for the model with all four predictors was $\div 2$ = 18.25 for d.f.=3. Finding rejects the null hypothesis that all the slope coefficients are zero. The model was able to correctly classify 79.46% observations. Mc Fadden R2

was 0.48. Similarly, Likelihood Ratio in respect of Logit model with commitment to stay as regressand had statistic $\div 2$= 28.49 for d.f. = 3. Thus, rejecting null hypothesis that all betas are zero. McFadden R2 was 43% and model classified 73% items correctly. Table 3 displays Logit Beta, their significance (p values), Likelihood Ratios, Chi-square, and Odds Ratio in respect of motivational commitment. Personal domain, community domain and transcendental domain are significant. Environmental domain is not significant. Likelihood Ratio in Table 3 shows that the contribution of individual predictor by comparing the model having all the four predictors and the one without the predictor whose contribution is being measured (Cohen et.al, 2003). An environment domain does not add to the predictive power of the model significantly. Strong odds ratio supports the role of three significant variables.

(Table : 3 & 4)

Table : 3 Results of Logistic Regression Model Showing Impact of Spiritual Orientation on Organisational Commitment Dimensions

Variable	B	P value	Likelihood Ratio* χ^2	Odds ratio
Dependent Variable: Motivational Commitment				
Personal Domain	0.602	.043	16.14	1.825
Community Domain	0.532	.021	14.33	1.702
Transcendental Domain	0.311	.031	13.16	1.364
Environmental Domain	0.015	.582	2.51	1.015
Dependent Variable: Commitment–to-Stay				
Personal Domain	0.542	.011	18.98	1.719
Community Domain	0.012	.023	14.76	1.012
Transcendental Domain	0.095	.042	13.03	1.099
Environmental Domain	0.134	.332	.108	1.143

Similar results are observed in case of commitment to stay dimension also.Hypothesis 2 is being supported here (Table3). Logistic regression analysis was also employed to predict the probability of a respondent's satisfaction with supervision as well as effectiveness on the basis of spiritual orientation. Accordingly, Logit models were run with satisfaction with supervision and effectiveness as regressand. Likelihood Ratio $\div 2$ for these two overall models respectively were: 32.76 and 22.48,

d.f. being 3 in both cases. Models correctly classify 82.12 % and 76.34 % of respondents results confirm overall model fit in both the cases. McFadden R2 is respectively 0.51 and 0.37. Logistic regression results presented in Table 4 display significant role of all the four sub-constructs in predicting satisfaction with supervision. All the four aspects of spiritual orientation contribute significantly to the explanatory power of the model as shown by Likelihood Ratio $\div 2$. Strong Odds

Table : 4 Results of Logistic Regression Model Showing Impact of Spiritual Orientation Satisfaction With Superv ision and Effectiveness

Variable	B	P value	Likelihood Ratio χ^2	Odds ratio
Dependent Variable: Satisfaction With Supervision				
Personal Domain	0.002	.003	34.67	1.002
Community Domain	0.021	.012	44.23	1.021
Transcendental Domain	0.891	.023	3.98	2.437
Environmental Domain	0.236	.031	21.443	1.266
Dependent Variable: Effectiveness				
Personal Domain	0.142	.021	17.454	1.152
Community Domain	0.342	.013	1.876	1.407
Transcendental Domain	0.443	.034	0.112	1.557
Environmental Domain	0.021	.002	22.67	1.021

Ratio support presence of strong relationship. Similar results were observed in respect of the models with effectiveness as regressand. Thus, evidences was found in the favour of hypothesis 3 and 4.

Discussion

There is a pilgrim in all human beings (Lala, 2007). The pilgrim seeks growth in terms of quality of improving self and creating an enriching environment for others. Therefore, spiritual orientation involves creation of self-awareness following values of love, justice and faith in humanity, care for nature and relationship of self with a transcendent reality or God. Spiritual orientation hence is believed to enhance organizational learning, unify and build communities, serve the need for connecting to others. It becomes source of healing and expression of compassion and connectedness that transcends all ego-centric and socio-centric forms. The present authors have underlined the link between spiritual orientation of organizations and organizational outcomes such as satisfaction, creativity and organizational commitment. Detailed examinations of relationship between spiritual orientation and organizational commitment has not attracted the attention of scholars, as few studies have focused on this issue. The present study has made a significant contribution in this direction.

Another important contribution of the study is development of a scale to, measure dimensions of spiritual orientation. Our findings provide an insight into our understanding of the dynamics of relationship between organizational commitment and spiritual orientation. Results of the study provide new insights into employee behavior.

First, the findings establish that spiritual orientation increases the probability of motivational commitment. Unlike the concepts of intrinsic and extrinsic concept of motivation in conventional sense, motivational commitment is a value laden construct. It is well known that values evolve over a period of time and are determined by socio-psychological environment and context available to subjects in the family, school-system, neighbourhood, social custom etc. However, work-place culture also plays a dominant role in shaping work values of individuals and groups. Spiritual orientation, therefore, influences the probability of motivational commitment of employees.

In other words, it influences the work attitudes. Spiritual orientation significantly influences commitment to stay by increasing the probability of stay. Spiritual Orientation is likely to create work environment characterized by empathy, fairness, justice, concern and focus on work.

It is likely that such orientation creates a general sense of obligation(Meyer and Allen,1987) and desire to conform to established norms, both stated (through policy and rules) and unstated, informal ones. Thereby, commitment to stay is encouraged. The study verified and confirmed for dimensions of spiritual orientation. Personal domain and transcendental domain are values directed and manifested inside the individual whereas community domain and environmental domain are directed outside of the individual, oriented towards the situation context or state outside. Spiritual orientation therefore, operates at the cognitive and affective level, inside the individual. At the same time its manifestation occurs in expressed behavior. Cognition and affect coupled with expressed behavior creates both motivation to work and psychological attachment to the organization. Spiritual orientation is regarded as a means to find "value, support and meaning "at work (Cash, Gray and Rood, 2000). Also, it reduces misconduct and misbehavior (Ely, et.al.2012).　Therefore, as our findings suggest motivational commitment as a value, behavior as well as artifact is likely to take place in the organizational context.

While these process variables might be at work, an important variable is satisfaction with supervision because at operational level leader influence is one of the significant variables affecting employee behavior. Spiritual orientation improves the probability of satisfaction with supervision.

Often employees connect with and commit to their superiors more than anything else. Spiritual orientation elicits loyalty to leader. Owing to such loyalty both dimensions of commitment might get strengthened. This finding raises an important question: Does leader behavior override organizational policy environment? This may be undertaken as a direction for further research.

Finally, spiritual orientation improves probability of effectiveness at work place. Spirituality, therefore, improves organizational commitment and results in improving the probability of effectiveness in organizational setting. Since our subjects were from business organizations, therefore, effectiveness in terms of business goals is important. Business organizations are concerned with maximizing shareholder value, which is contingent upon level of economic profit, both current and projected. If probability of effectiveness increases with increase in spiritual orientation. One may infer that probability of higher economic profit and consequentially higher shareholder value will also increase.

Thus, by way of conclusion it may be stated that spiritual orientation leads to satisfaction with supervision and organizational commitment which in turn results in effectiveness.

Conclusion

Organizational commitment has much importance among the organizational behaviour variables, since it can predict employees' turnover as a working attitude and affects output considerably. The paper aims to study the effect of spiritual values on employee's organizational commitments as well as the application of different spiritual models that could provide insights on how and under what conditions spiritual values can positively affect profitability and employees behaviour in organization. The result of the study revealed that spiritual value at work is one of the most important factors that create employees organizational commitments and the relationship between them are significantly positive. The finding also indicates that when employees experienced spirituality at work, they feel more effectively closed to their organization, experience a sense of responsibility and loyalty towards them, and feel less materially committed. What seems important is that organizational commitments and increasing productivity had a certain relation with spirituality at work and as a result, manager must improve spirituality climate in order to promote organizational commitments and, thus, employ and organizational performance.

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POTENTIAL APPRAISAL TOWARDS CAREER DEVELOPMENT

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Abstract

Performance appraisal is a systematic evaluation of the present capabilities of the employees in an organization. This is organized on the principles of goals, Management by Objectives and Balance Score Card philosophies. Performance appraisal has a historical dimension and is primarily concerned with the performance of an employee. Potential Appraisal is the process of tracking unrevealed skills and abilities in a person which even he/she is unaware of.It is a future oriented appraisal which aims to track the potential of the employees to rise up in the organisational structure. Potential Appraisal is a potent device for employee advancement.However Past performance may not be a good indicator of the suitability of an employee for a higher role. To take the business to the next level, organizations have to lay more emphasis on the Potential Appraisal of the Employees in addition to their Performance, since Potential Appraisals gauge the skill and attitude the employee may possess to occupy higher positions in the organizational hierarchy and undertake higher responsibilities.This paper implies that Potential Appraisal has a direct impact on business by enhancing competencies and capabilities of the employees, developing leaders and building strong successors to raise the bar of business.

Keywords: *Potential Appraisal, Performance appraisal, Techniques, Steps, Career Development*

Introduction

Potential appraisal helps to identify what can happen in future so that it can be guided and directed towards the achievement of individual and organizational growth and goals. Therefore, potential should be included as a part of the Performance appraisal in organisations. The term is not known to many; however, managers of almost every organisation have been making potential assessments every year.To understand it better, we can *compare it with the reviewing performance.***Review Performance is assessed on the basis of the targets accomplished and the skills possessed and utilized by him/her.** The results act as indicators on the candidate's aptitude to manage extra functions. However, this is not a fool proof way of knowing whether added responsibilities will be handled successfully in future. This makes potential appraisal important.**The time for a potential appraisal is not fixed. It is under the discretion of the manager to hold the assessment activity.** Unlike performance review, it does not happen at a particular period in every organization. The managers generally exercise it when an employee achieves a certain milestone, or completes a year or is planning to change jobs for whatever reasons. Usually it is recommended to take place within 6 months.

The Purposes of a Potential Review Are

1. To inform employees of their future prospects;
2. To enable the organisation to draft a management succession programme;
3. To update training and recruitment activities;
4. To advise employees about the work to be done to enhance .their career opportunities.

Techniques of Potential Appraisal

1. Self – appraisals
2. Peer appraisals
3. Superior appraisals
4. MBO
5. Psychological and psychometric tests
6. Management games like role playing
7. Leadership exercises etc.

Steps for Implementing Potential Appraisal System
Role Description:

A good potential appraisal system would be based on clarity of roles and functions associated with the different roles in an organisation. This requires extensive job descriptions to be made available for each job. These job descriptions should spell out the various functions involved in performing the job.

Qualities Required:

Besides job descriptions, it is necessary to have a detailed list of qualities required to perform each of these functions. These qualities may be broadly divided into four categories

(1) Technical knowledge and skills,

(2) Managerial capabilities and qualities,

(3) Behavioural capabilities, and

(4) Conceptual capabilities.

Indicators of Qualities:

A good potential appraisal system besides listing down the functions and qualities would also have various mechanisms for judging these qualities in a given

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individual. Some of the mechanisms for judging these qualities are –

(a) Rating by others,

(b) Psychological tests,

(c) Simulation games and exercises,

(d) Performance appraisal records.

Organising the System:

Once the functions, the qualities required to perform these functions, indicators of these qualities, and mechanisms for generating these indicators are clear, the organisation is in a sound position to establish and operate the potential appraisal system. Such establishment requires clarity in organisational policies and systematisation of its efforts.

Feedback:

If the organisation believes in the development of human resources it should attempt to generate a climate of openness. Such a climate is required for helping the employees to understand their strengths and weaknesses and to create opportunities for development. A good potential appraisal system should provide an opportunity for every employee to know the results of assessment. He should be helped to understand the qualities actually required for performing the role for which he thinks he has the potential, the mechanisms used by the organisation to appraise his potential, and the results of such an appraisal.

A good potential appraisal system provides opportunities continuously for the employee to know his strengths and weaknesses. These are done through periodic counseling and guidance sessions by either the personnel department or the managers concerned. This should enable the employee to develop realistic self-perceptions and plan his own career and development.

Potential Appraisal Vs. Performance Appraisal

Potential Appraisal is forward looking process whether **performance appraisal** is backward looking process. Any good or worse assessment results of performance appraisal may not be a good factor for potential appraisal. But current performance of an employee could show evidence somewhere whether he/she is flexible for new working conditions. **(Fig : 1)**

Communicate the Standards

Potential appraisal involves at least two parties; the appraiser who does the appraisal and the appraisee whose performance is being evaluated. Both are expected to do certain things. The appraiser should prepare job descriptions clearly; help appraise set his goals and targets; analyse results objectively; offer

EFFECTIVE POTENTIAL APPRAISAL MODEL
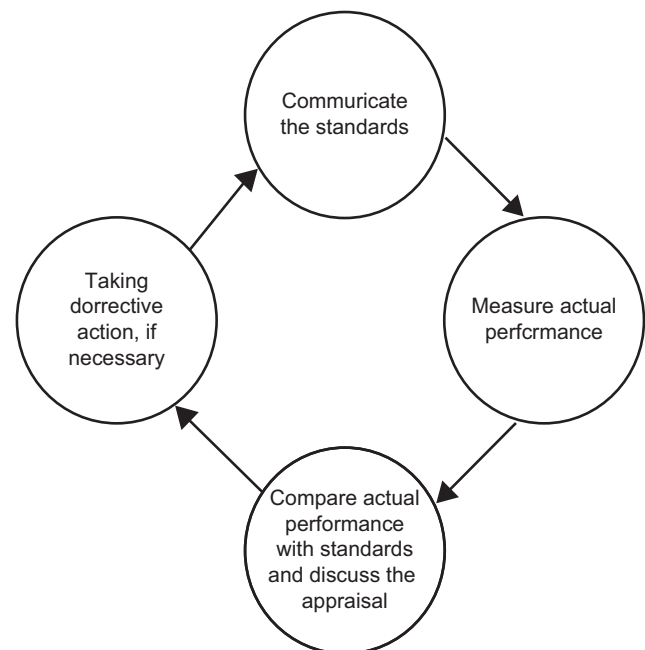
Fig : 1

coaching and guidance to appraisee whenever required and reward good results. The appraisee should be very clear about what he is doing and why he is doing. For this purpose, the performance standards must be communicated to appraisees and their reactions be noted down initially. If necessary, these standards must be revised or modified.

Measure Actual Performance

After the potential standards are set and accepted, the next step is to measure actual performance. This requires the use of dependable performance measures, the ratings used to evaluate performance. Performance measures, to be helpful must be easy to use, be reliable and report on the critical behaviors that determine performance. Four common sources of information which are generally used by managers regarding how to measure actual performance: personal observation, statistical reports, oral reports and written reports.

Potential measures may be objective or subjective. Objective performance measures are indications of job performance that can be verified by others and are usually quantitative. Objective criteria include quality of production, degree of training needed and accidents in a given period, absenteeism, length of service, etc. Subjective performance measures are ratings that are based on the personal standards of opinions of those doing the evaluation and are not verifiable by others. Subjective criteria include ratings by superiors, knowledge about overall goals, and contribution to socio-

cultural values of the environment. It should be noted here that objective criteria can be laid down while evaluating lower level jobs which are specific and defined clearly. This is not the case with middle level positions that are complex and vague.

Compare Actual Performance with Standards And Discuss The Appraisal

Actual performance may be better than expected and sometimes it may go off the track. Whatever be the consequences, there is a way to communicate and discuss the final outcome. The assessment of another person's contribution and ability is not an easy task. It has serious emotional overtones as it affects the self-esteem of the appraisee. Any appraisal based on subjective criteria is likely to be questioned by the appraisee and leave him quite dejected and unhappy when the appraisal turns out to be negative.

Taking Corrective Action, If Necessary]

Corrective action is of two types. The one which puts out the fires immediately and other one which strikes at the root of the problem permanently. Immediate action sets things right and get things back on track whereas the basic corrective action gets to the source of deviations and seeks to adjust the difference permanently. Basic corrective steps seek to find out how and why performances deviate.

Career Development

In organizational development OD*), the study of career developmentlooks at:

- How individuals manage their careers within and between organizations and,

- How organizations structure the career progress of their members, it can also be tied into successionplanning within some organizations.

In personal development, career development is:

- "The total constellations of psychological, sociological, educational, physical, economic, and chance factors combine to influence the nature and significance of work in the total lifespan of any given individual."

- The evolution or development of a career - informed by (1) Experience within a specific field of interest (2)Success at each stage of development - and (3), educational attainment.

- "The lifelong psychological and behavioural processes as well as contextual influences shaping one's careerover the life span. As such, career development involves the person's creation of a

career pattern, decisionmakingstyle, integration of life roles, values expression, and life-role self-concepts."

Potential appraisal & career development includes the area of career development, which is an extremelyinteresting and important area of occupational psychology and one which offers a great deal of job satisfaction.

Relation between Potential Appraisal and Career development

Career development and potential appraisal can be more meaningful for organizations and their employees when each system draws on the strength of the other – the "now" orientation of performance appraisal *and* the" future" orientation of career development. To accomplish this mutually strengthening process, the two systems must be viewed as contributing to the same goal – *talent development.* Talent development involves promoting employees' skills and knowledge and can best be achieved by displaying concern for current potential as well as future contributions. More and more, workers join organizations with an eye toward making on-going and increasing contributions. Organizations can cultivate this by using data about current potential to help in plans for future development.

Conclusion

Potential appraisal & career development includes the area of career development, which is an extremely interesting and important area of occupational psychology and one which offers a great deal of job satisfaction. Career development and potential appraisal can be more meaningful for organizations and their employees when each system draws on the strength of the other – the "now" orientation of potential appraisal and the "future" orientation of career development.HR professionals can play a vital part in establishing and nurturing the relationship between performance appraisal and career development by keeping the concept of "talent development" clearly in mind and by cultivating systems and individuals that support it. Talent development involves promoting employees' skills and knowledge and can best be achieved by displaying concern for current performance as well as future contribution.

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FOREIGN DIRECT INVESTMENT: AN ANALYSIS OF INDIAN RETAIL INDUSTRY

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Abstract

Foreign Investment in India is controlled and governed by the FDI policy announced by the Government of India and the provision of the Foreign Exchange Management Act (FEMA) 1999. The Reserve Bank of India (RBI) in this context has issued a notification, which consists of Foreign Exchange Management (Transfer or issue of security by a person resident outside India) Regulations; 2000.The Ministry of Commerce and Industry, Government of India is the nodal agency for monitoring and reviewing the FDI policy on continued basis. The foreign investors are free to invest in India, except few sectors/activities, where prior approval from the RBI or Foreign Investment Promotion Board (FIPB) would be required. India's retail industry is broadly divided into the organized and the unorganized sector. Organized retailing refers to trading activities undertaken by retailers who possess legal permissions or licenses to undertake the activity and are registered for income tax, sales tax, etc. These include the hyper-markets, super-markets, retail chains, and also the privately owned large retail businesses. The rest is taken up by the un-organized sector which includes the traditional formats of retailing like the local kiranas, convenience stores, and pavement vendor's etc. In this paper, the focus will be given on the analysis of the retail industry on multi dimensional parameters.

***Key Words:** FDI, FIPB, Retail Industry*

Introduction

The perception of the impact of Foreign Direct Investment (FDI) in development process has evolved over time. Starting from mid 60's to the current period, FDI plays an important role in the development process of the country. FDI has potential for making a contribution to the development through the development of financial resources, technology and innovative management practices which increase the productivity of a country. The steady growth of global FDI from 1990's onwards, makes FDI an important & vital component of DevelopmentStrategy in both developed and developing countries. Most of the countries formulate policies in order to stimulate inflow of FDI. Theoretically FDI provides win-win situation to the host and home countries. The Host country wants to acquire innovative technological and managerial skill, and supplement domestic savings and foreign exchange. Similarly, the home countries also want to take the advantage of large markets opened by industrial growth, low manufacturing costs, stable government and steady increase in income levels. The era of FDI in India started with the establishment of British East India Company in the 17th century. British investment came to India during the colonial era of Britain in India. India has been a larger recipient ofFDI inflows from mid-90 are onwards. In the early 1990's, Indian economy faced severe balance of payment crisis and as a result, India's credit rating fell in international market for both short term and long term borrowings. In this critical situation, the then finance minister of India, Dr. Manmohan Singh with help of World Bank and IMF introduced the new economic policy. As a result, India opened its door to FDI inflows and adopted a more liberal foreign policy in order to gain the confidence of foreign investors. Due to the new economic policy (NEP) in 1991, India is treated as a favorable zone for foreign direct investment. The large opportunity for FDI has opened in I.T. sector (both in hardware and software), telecom sector, insurance sector, manufacturing sector, banking sector, retail sectors, mining, highway construction and Management. The Indian retail industry is the fifth largest in the world. Comprising oforganized and unorganized sectors, retail industry is one of the fastest growing industries in India, especially over the last few years. With growing market demand, the industry is expected to grow at a pace of 25-30% annually.

Objectives of the Study

The study has following objectives.

1. To understand the evolution of retail sector in India
2. To study the emerging retail trends in India
3. To study the growth trends of Indian retail sector
4. To study the factors having impact on growth of organized retail sector

Evolution of Retail in India

India is one of the largest emerging markets, with a population of over one billion. It is one ofthe largest economies in the world in terms of purchasing power. Retailing in India is at anascent stage of its evolution, but within a small period of time certain trends are clearlyemerging which are in line with the global experiences. Organized retailing has become more

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popular in big cities in India and most of the metropolitan cities and other big cities are flooded by modern organized retail stores. Many semirural areas have also witnessed entry of such organized retail outlets. India's retail sector is estimated to touch US$ 833 billion by 2013 and US$ 1.3 trillion by 2018, with a compound annual growth rate (CAGR) of 10%, which is quite lucrative. Retailing as a whole contributes almost 10% of India's GDP, and employs almost 8% of India's employable population. The organized sector accounts for a mere 5 per cent indicating a huge potential market opportunity that is lying in the waiting for the consumer-savvy organized retailer. Purchasing power of Indian urban consumer is growing and branded merchandise in categories like Apparels, Cosmetics, Shoes, Watches, Beverages, Food and even Jewellery are slowly becoming lifestyle products that are widely accepted by the urban Indian consumer. Organized retailing is witnessing a wave of players entering the industry. These players are experimenting with various retail formats. A number of large corporate houses like Aditya , Bharti, Reliance, Pantaloon, Vishal, Tata's, RPG, Raheja's and Piramals's have already made their foray into this arena, with beauty and health stores, supermarkets, self-service music stores, new age book stores, everyday low price stores, computers and peripherals stores, office equipment stores and home/building construction stores. Today organized players have attacked every retail category

a. While barter would be considered to be the oldest form of retail trade. Since independence retail in India has evolved to support the unique needs of our country, given its size and complexity". *Haats, Mandis* and *Melas* have always been a part of the Indian landscape. They still continue to be present in most parts of the country and bring all essential part of the life and trade in various areas. Retail snapshot focuses on *Haats, mandis* and *melas,* a reality of the Indian landscape.

b. The PDS or the Public Distribution System would easily emerge as the single largest retail chain existing in the country. The evolution of the public distribution of grains in India has its origin in the 'rationing' system introduced by the British during World War II. The system was started in 1939 in Bombay and subsequently extended to other cities and towns. By the year 1946, as many as 771 cities/ towns were covered. The system was abolished post war, however, on attaining independence, India was forced to reintroduce it in 1950 in the face of' renewed inflationary pressures in the economy.

c. The Canteen Stores Department and the Post Offices in India are also among the largest network of outlets in the country, reaching populations across state boundaries.

d. The Khadi& Village Industries (KVIC) was also set up post Independence. Today, there are more than 7,000 KVIC stores across the country. The co-operative movement was again championed by the government, which set up the KendriyaBhandars in 1963. Today, they operate a network of 112 stores and 42 fair price shops across the country. Mother Dairy, another early started controls as many as 250 stores, selling foods and provisions at attractive prices

e. This was in a sense, the beginning of a new era for retail in India. The fact that post liberalisation, the economy had opened up and a new large middle class with spending power had emerged, helped shape this sector. The vast middle class market demanded value for money products. The emergence of the modern Indian housewife who managed her home and work led to a demand for more products, a better shopping ambience, more convenience and one stop shopping. This has fuelled the growth of departmental stores, supermarkets, and other specialty stores.

f. Retailing formats in India
1. Malls
2. Specialty Stores
3. Discount Stores
4. Department Stores
5. Hyper marts / Supermarkets
6. Convenience Store
7. MBO's
8. E-trailer

FDI in retail sector

The new stand adopted by Indian government regarding Foreign Direct Investment policies has encouraged the domestic as well as foreign investors in retail sectors to invest in India. Trading is allowed under automatic route with FDI up to 51% provided it is primarily limited to export activities, and the undertaking is an export house/ trading house/super trading house/star trading house. However, under the FIPB route 100% FDI is allowed in case of trading companies for the following activities, bulk imports with ex-port/ex-bonded warehouse sales, exports, carry wholesale trading and cash, other import of goods or services provided at least 75% of it is for procurement and sale of goods and services among the companies of the same group and it should not for third party use or further transfer/distribution/sales.

An analysis of the drivers and challenges explains the factors leading to the growth of the market including low organized retail penetration, rising income levels and consumerism, growing retail space and mall boom, increasing availability of credit and changing demographics and consumer behavior. Strong opportunity exists in the market due to low organized retail penetration in India. This coupled with the fact that income level and consumerism are rising, will drive the retail market. The key challenges identified are insufficiencies in supply chain, shortage of skilled manpower and real estate issues.

Key trends in the market have also been analyzed which includes emergence of innovative retail formats, online and rural retailing and integration of various business strategies. This is followed by a section on the FDI scenario of the retail market in India which includes evolution of retail FDI policy, current FDI scenario in retail, single brand retailing and multi brand retailing in India. A section on the investment scenario of this market is also highlighted, including investment and expansion plans, mergers and acquisitions, and partnership agreements in the retail sector.

The competition section provides an overview of the competitive landscape in the market and includes a detailed profile of the major players. It begins with a matrix showing the various retail formats under which the players operate in India. A bubble chart for the public companies, depicting their relative positions in the market with respect to total income, net profit/loss and market capitalization is included. Similarly, a bubble chart for the private players is also included with respect to their total income, net profit/loss and total assets. This section also includes list of products and services, key people, financial snapshot, key ratios and key recent developments for all companies, along with key business segments and key geographic segments for public companies. The report concludes with a section on strategic recommendations which comprises of an analysis of the growth strategies of the retail market in India.

The following are the main reasons and trends for growth of Indian Retail Industries.

- Increase in disposable income and purchasing power of consumers
- Increase in consuming desire
- Low share of organized retailing
- Falling real estate prices
- Increase in expenditure for luxury items
- More nuclear families in urban areas
- Global retail giants entering the retail industry in India
- Favorable reforms initiated by the government of India

Rationale behind Allowing FDI in Retail Sector

FDI can be a powerful catalyst to spur competition in the retail industry, due to the current scenario of low competition and poor productivity. The policy of single-brand retail was adopted to allow Indian consumers access to foreign brands. Since Indians spend a lot of money shopping abroad, this policy enables them to spend the same money on the same goods in India. FDI in single-brand retailing was permitted in 2006, up to 51 per cent of ownership. Between then and May 2010, a total of 94 proposals have been received. The retail industry in India is the second largest employer with an estimated 35 million people engaged by the industry. There has been opening of Indian economy to foreign organization for foreign direct investment through organized retail. The union government has sanctioned 51% foreign direct investment in multi-brand like Wal-Mart, Carrefour, Tesco and upto 100% in single brand retail like Gucci, Nokia and Reebok. This will make foreign goods and items of daily consumption available locally, at a lower price, to Indian consumers. The new policy will allow multi-brand foreign retailers to set up shop only in cities with a population of more than 10 lakhs as per the 2011 census. There are 53 such cities. This means that big retailers can move beyond the metropolises to smaller cities.

Impact of FDI

Indian farmers: The biggest beneficiary of FDI in retail would be farmers who will be able to improve their productivity. The farmers will not only be able to increase their output but will also get better rewards in terms of supplying to organized retailers by tying up long term contracts with them.

Indian consumers: India is now the home of the largest number of moneyed consumers. Indian consumers will get access to quality goods at a low cost, that too at home. The stage is now set when Indian consumers will have the luxury of world class opportunity of shopping to meet the requirements of daily life. They will find a new world of enjoyment of picking up consumer items to their greatest satisfaction. Big retailers will often allow discounts on selected items which will facilitate the consumers and they can end up with marginal bargains.

Proper tax system: Tax revenue will increase like VAT and service tax. The organized sales with computerized billing system will also yield more revenue through commodity taxes like VAT and service tax to the government. Thus tax buoyancy of the economy would increase.

Partnership opportunity: Indian retailers have reason to be happy with foreign direct investment in the retail sector because it is a partnership opportunity that

involves a lot of learning that could take them to higher profitability. The central government is planning to have 51% foreign investment; this means the foreign retailers need partners for the rest investment to gain market.

High availability of jobs: There will be huge job opportunities in the country (in crores) as there will be opening of malls and store houses. The entry of modern retailers will expand the market creating large amount of additional jobs in retail.

Knowledge enhancement: FDI in retail will make way for inflow of knowledge from international experts. There will be drastic retail growth through the development of the retail capability.

Management educational institute boom: The growth of the organized retail in India will be a 'sunrise' for the management educational institute as their requirement will be increasing. The management colleges or universities role will be increasing for giving retail education to the youth to stay competitive in the liberalized environment.

Inflation control: Inflation will be curbed. It will give a fair competition in the maket and will impact on the demand and supply side of the economy and also stablize the inflation rate.

Increased Investment in Retailing:

The prospects for significant modernization and development in retailing will depend on the nature of investment in this sector. The investment will be of two types- foreign and domestic. The quantum and nature of investment will depend on the factors outlined earlier namely economic development; civic situation; consumer needs, attitudes and behavior and government policies. Although FDI is not yet permitted in retailing, a number of global retailers are testing the waters by signing technical agreements and franchises with Indian firms. Fast food chains like McDonalds and Pizza Hut are already operating in the metros.

Improvements in Civic Situation:

The civic situation includes factors like safety and security in the city and the various municipal regulations governing the opening, location and operation of stores and the nature of public transport available. A safe and secure environment will encourage the setting up of 24 hour convenience stores and the operation of shopping plazas and encourage shopping expeditions for the whole family. The presence of adequate parking facilities or excellent public transportation will encourage consumers to be more mobile in their choice of store.

Challenges of Retailing in India

In India the retailing industry has a long way to go and to become a truly flourishing industry, retailing needs to cross various hurdles. The first challenge facing the organized retail sector is the competition from unorganized sector. Needless to say, the Indian retail sector is overwhelmingly swarmed by the unorganized retailing with the dominance of small and medium enterprises in contradiction to the presence of few giant corporate retailing outlets. The trading sector is also highly fragmented, with a large number of intermediaries who operate at a strictly local level and there is no barrier to entry', given the structure and scale of these operations (Singhal 1999).The tax structure in India favors small retail business. Organized retail sector has to pay huge taxes, which is negligible for small retail business. Thus, the cost of business operations is very high in India. Developed supply chain and integrated IT management is absent in retail sector. This lack of adequate infrastructure facilities, lack of trained work force and low skill level for retailing management further makes the sector quite complex. Organized retail in India is little over a decade old. It is largely an urban phenomenon and the pace of growth is still slow. Some of the reasons for this slow growth are:

a. **Retail not being recognized as an industry in India—**Lack of recognition as an industry hampers the availability of finance to the existing and new players. This affects growth and expansion plans.

b. **The high costs of real estate—**Real estate prices in some cities in India are among the highest in the world. The lease or rent of the property is one of the major areas of expenditure; high lease rentals eat into the profitability of a project.

c. **High stamp duties—**In addition to the high cost of real estate, the sector also faces very high stamp duties on transfer of property, which varies from state to state (12.5% in Gujarat and 8% in Delhi). The presence of strong pro-tenancy laws makes it difficult to evict tenants. The problem is compounded by problems of clear titles to ownership, while at the same time land use conversion is time consuming and complex as are the legal processes for settling of property disputes.

d. **Lack of adequate infrastructure—**Poor roads and the lack of a cold chain infrastructure hampers the development of food and fresh grocery retail in India. The existing supermarkets and food retailers have to invest a substantial amount of money and time in building a cold chain network.

e. **Multiple and complex taxation system—**The sales tax rates vary from state to state, while organized players have to face a multiple point control and tax system, there is considerable sales tax evasion by small stores. In many locations, retailers have to face a multi pointoctroi. With the introduction of Value Added Tax (VAT) in 2005, certain anomalies in the existing sales tax system causing disruptions in the supply chain are likely to get corrected over a period of time.

In an attempt to understand the retail industry in India, an analysis of the industry has been done using the five competitive forces as stated by Michael Porter. The Five Forces model is a strategic tool that is used to analyse the attractiveness of the industry structure. The five fundamental competitive forces are:

a. **Entry of competitors:** The ease of entry for competitors to enter the market and to start competing and the barriers to entry which may exist.

b. **Threat of substitutes:** The ease with which a product or a service can be substituted, especially is made cheaper.

c. **Bargaining Power of Buyers:** The position of the buyers, can they work together to gain efficiencies in buying?

d. **Bargaining Power of Suppliers:** The position of the sellers. Do many suppliers exist or is there a existence of only a few suppliers?

e. **Rivalry among the existing players:** The level of competition between the existing players, the size and the strength of the players in the industry.

Growth of Retail Industry in India

An increasing number of people in India are turning to the services sector for employment dueto the relative low compensation offered by the traditional agriculture and manufacturing sectors. The organized retail market is growing at 3.5 percent annually while growth of unorganized retail sector is pegged at 6 percent. The Retail Business in India is currently at the point of inflection. Rapid change with investments to the tune of US $ 25 billion is being planned by several Indian and multinational companies in the next 5 years. It is a huge industry in terms of size and according to management consulting firm Techno park Advisors Pvt. Ltd., it is valued at about US $ 350 billion. Organized retail is expected to garner about 16-18 percent of the total retail market (US $ 65-75 billion) in the next 5 years.Indian retail sector is wearing new clothes and with a three year compounded annual growth rate of 46-64%, retail is the fastest growing sector in the Indian economy. The sector is the second largest employer after agriculture,

employing more than 35 million people with wholesale trade generating an additional employment to 5.5 million crore.The enormous growth of retail industry has created a hugedemand for real estate. Property developers are creating retail real estate at an aggressive pace.India's retail market is expected to be worth about US$ 410 billion, with 5 per cent of sales through organised retail, meaning that the opportunity in India remains immense. Retail should continue to grow rapidly—up to US$ 535 billion in 2013, with 10 per cent coming from organised retail, reflecting a fast-growing middle class, demanding higher quality shopping environments and stronger brands, according to the report 'Expanding Opportunities for Global Retailers', released by A T Kearney.

Table : 1 Share of Retail Trade in Gross Domestic Product (G.D.P.)

Year	Year %age share of Retail Sector
2007	8%
2009	12%
2011	22%
2012	Projected 25%

Source-A T Kearney.

Conclusion

In light of the above, it can be safely concluded that allowing healthy FDI in the retail sector would not only lead to a substantial surge in the country's GDP and overall economic development, but would inter alia also help in integrating the Indian retail market with that of the global retail market in addition to providing not just employment but a better paying employment, which the unorganized sector (kirana and other small time retailing shops) have undoubtedly failed to provide to the masses employed in them. As more and more organized retail outlets are dotting the Indian topography, competition is no more restricted between organized and unorganized retailing, it is now quite evident between organized retailers as well.The status of the retail industry will depend mostly on external factors like Government regulations and policies and real estate prices, besides the activities of retailers and demands of the customers also show impact on retail industry. As the retail market place changesshape and competition increases, the potential for improving retail productivity and cutting costs islikely to decrease. Therefore it is important for retailers to secure a distinctive position in the market place based on values relationships or experience.There is need of balanced approach to retail & govt. has to play a very vital role in shaping the future course.

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IMPACT OF BRAND LOYALTY AND ASSOCIATION IN COSMETIC MATERIALS IN BANGALORE CITY WITH SPECIAL REFERENCE TO LIPSTICKS – A STUDY

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Abstract

A lipstick is considered as a fashionable product and it has been used for enriching the facial appearance of the women. There are so many brands of lipsticks available in the market. We make an attempt to know the loyalty and association of the users towards their choice brand. An empirical fact finding study has been taken up by the researchers in Bangalore city.

Key words: Lipsticks, fashion, loyalty, association, and enriching

Introduction

In twenty first century the word Lipsticks has become very popular in all over the world. Lipsticks are a cosmetic material used for enriching the facial appearance of a woman. The meaning of the lipsticks is a cosmetic applied to the lips from a small solid stick. As per American Heritage Dictionary of the English language Lipsticks is a small stick of waxy lip coloring enclosed in a cylindrical case crayon like oil-based cosmetic for coloring the lips, packaged in a tube. It is a cosmetic product containing pigments, oils, waxes, and emollients that apply color, texture, and protection to the lips. The term lipstick clearly means a cosmetic that is applied to the lips. Scientists believe that the time consuming act of putting on lipstick or applying blusher could serve as a form of stretching exercise which can improve balance and co-ordination in many women. A study was carried out by the research communications director from the cosmetics giant L'Oreal Group (2006) which revealed that women, especially at an older age, who applied make-up on a regular basis in the morning, had better posture and stood straighter, compared to non-lipstick wearing ladies. Earlier there were only small number of brands available in the market therefore the choice was also limited. But now a day's lots of brands with variety of colors are available for the use of customers. The taste and choice of the users are also changing very frequently. In Bangalore city, lipstick is a not only a cosmetic it is a fashion accessory that some women just cannot live without. According to the experts, make-up, and especially lipstick, not only makes a woman feel more beautiful and gives teeth an extra reason to sparkle, but it can actually improve their self confidence.

History of lipsticks

The history of lipstick starts in prehistory and continues into the present era. From ancient Greece and India to Elizabethan England, people have darkened, painted and adorned their lips with dyes, pigments, plant roots, pencils and rouges. Flushed lips indicate sexual arousal, which is why lipstick, and other lip colorings, remain popular to this day. The history of modern lipstick starts in the 19th century. Before then, men and women would discreetly put on cosmetics at home, though they were seen as signs of effeminacy in men and debauchery in women. Only actors and actresses could get away with wearing makeup—and only on stage. It wasn't until the 1880s that certain actresses, like Sarah Bernhardt, started wearing makeup in public. At this time, lipstick was not yet in a tube. Carmine dye, an extract of ground-up insects, was applied to the lips using a brush. Despite its unappetizing origins, carmine dye was expensive and not practical for the average woman. The look was also highly theatrical and unnatural, especially by 19th-century standards. This made early lipstick all the more shocking. In the early 1900s, a synthetic form of carmine was infused into an oil and wax base, creating a colored lip ointment that looked more natural than carmine dye. This ointment was more natural looking, and thus became more respectable. However, lipstick was not yet a lip stick. At the turn of the last century, lip color was sold in tinted papers or paper tubes, which made it impossible to carry around in a pocket or a handbag. This meant that women could apply makeup at home, but could do no touch-ups. Around 1915, lipstick started to be sold in metal containers, with various push-up tubes. The first swivel-up tube was patented in 1923, in Nashville, Tennessee. This packaging allowed

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manufacturers to package to sell, creating stylish and seductive packages for consumer goods. Throughout the 1920s and 30s, hundreds of lipstick tubes were patented in the United States, all with the same basic function: the container would swivel, twist or push a tube of lipstick from a hollow cylinder. The movie industry stimulated demand for lipstick. Women wanted to look like Louise Brooks, Clara Bow and other stars of the silver screen. Early brands, such as Max Factor and Tangee, promised women they could look just like movie stars with the right application of cosmetics. Photography also made lipstick more acceptable. Since people (especially women) naturally want to look good for photographs, they started to wear makeup in the photo booth, then outside of it. The Great Depression actually increased demand for lipstick. When most people could not afford most luxuries, an inexpensive tube of Tattoo or Tangee lipstick was a good way to satisfy their desire for luxury. This rule still applies today; economists call it the leading lipstick indicator. During World War II, metal lipstick cases were replaced with plastic, then with paper. However, lipstick was still manufactured, both in America and in Europe; it was believed that makeup was psychologically important to women. In America, brand rivalry ceased, and companies concentrated on making cheap lipsticks for women workers. The war also allowed women into previously male-dominated professions, such as engineering and scientific research. One of these women, Hazel Bishop, was an organic chemist in New Jersey and Brooklyn. In the late 1940s, Ms. Bishop tested over three hundred experiments with different lipstick prototypes in her kitchen, perfecting a new formula for a long lasting lipstick. When Bishop's lipstick went public, it quickly became popular, so quickly that Bishop, and her business partner, Alfred Berg, almost went broke. It was through the help of Raymond Specter, an advertising genius that the company prospered. Hazel Bishop brand lipstick was the sponsor of television shows like *This Is Your Life*. Thus the Lipstick Wars began. In the 1950s, Revlon and Hazel Bishop were the two biggest games in town. While Hazel Bishop brand lipstick was seen as a practical, no-nonsense American brand, Revlon lipstick appealed to a more romanticized side of female psychology. Both companies ran expensive ad campaigns, and may have tapped each other's phones to get more information. Revlon ultimately won. The history of lipstick, especially in the modern era, is driven by competing brands and personalities, all looking for the right look, or formula, to advance their share and influence in the market. For much of the 1950s and 60s, movies drove the crazes in lipstick usage. Many women imitated Elizabeth Taylor's *Cleopatra* look, as well as Marilyn Monroe's signature red lipstick with platinum blonde hair. In 1973, the Bonne Bell Company

created the "lip smacker," a colorless lip gloss with a strong, usually fruity, flavor. The gloss was a big hit with teenage girls; the company later made lip gloss in flavors like "rock candy" and "Dr. Pepper," solidifying their commitment to the under-30 set. Further advances in technology led to further, and more hyperbolic, claims. No lipstick, gloss, stain or other topping (besides a tattoo) is completely "kiss-proof," but the history of lipstick advertising shows ever escalating adjectives and promises, even up to the present moment. According to the British zoologist, Desmond Morris (*The Naked Ape*, 1967), the widespread practice of enhancing the red colour of the lips was due to a biological analogy with the labia, because these flush red and swell when women are aroused. By the 1950s, movie actresses Marilyn Monroe and Elizabeth Taylor helped bring back dark red lips. A 1951 survey revealed that two-thirds of teenage girls wore lipstick. In the mid-1980s, so-called mood lipsticks were sold to adults by mainstream cosmetic companies. This type of lipstick changes colors after it is applied, based on changes in skin's pH that supposedly reflect the wearer's mood. Previously these had be available as little girl's play makeup. They had another resurgence in the very early 21st century, offered by inexpensive as well as more exclusive cosmetic lines, and color changing chemicals also appeared in lip gloss, such as Smash box O-Gloss, and blush, such as Stila Custom Color Blush. In the 1990s, lipstick colors became semi-matte. Shades of brown were very popular. These shades were inspired by several shows such as "Friends". In the late 1990s and into the 21st century, pearl shades became very popular. Lipsticks were no longer matte or semi-matte; they were shiny and contained several interference pearls. In 2012, bright bold lip colors became trendy again with saturated colors such as orange or hot pink.

Scope & objective

The scope of this study is enormous. We have only limited with a cosmopolitan city like Bangalore only.

The main objectives of the study are

- To understand the association and loyalty of the lipsticks users towards the brand

Methodology

For this study we have obtained the information from the respondents by adopting random sampling method. Randomly questionnaires, on the basis of five point scale were circulated among the 1200 respondents, such as; students of post graduate, undergraduate, professional colleges, house wives, and working personnel of different categories. Out of 1200 only we got back 615 filled questionnaires. On scrutiny 500 questionnaires are meeting our requirement. After classifying the date the

same were tabulated for analysis purpose. To justify the significance of the study we have used some statistical tools like percentage central value, and f-test.

Analysis and interpretation

Table : 1 Respondents choice on brands

Sl. Nos.	Brands	Percentage of brand choice
1	Loreal	10
2	Lakme	08
3	Revlon	06
4	Avon	04
5	M.A.C:	06
6	Maybelline	08
7	L'oreal Paris	07
8	Colorbar	05
9	NYX	07
10	Lancome Lipsticks	06
11	Nars Lipsticks	05
12	Chanel	04
13	Dior	05
14	Estee Lauder	07
15	Make Up Forever	05
16	Bobbi Brown	03
17	Yves Saint Laurent (YSL)	04

(**Sources:** Compilation of Primary data)

The table No.1 depicts that out of 17 brands Loreal is the preference of 10 percent respondents. That 8 percent opined towards their choice is Lakme and Maybelline brand, where as only 3 percent respondents are favoring Bobbi Brown. From the above it can be concluded that brand choice of the facial make up materials like lipsticks are differing among the users as per the skin, color, cost, durability of the materials.

(Table : 2)

The above table exhibits that out of the total respondents 41.8, 27.4, 20.6, 7.0 and 3.2 percent college going students, unmarried service women, married service women, house wives and other are using lipsticks for their facial makeup. From the above it reflects that all categories of ladies are having weakness towards the lipsticks.

(Table : 3)

The results show that about 47.80 per cent of the lipsticks users agreed that they consider themselves to be loyal to the brand followed by strongly agree (41.20

Table : 2 Category of Respondents

Users Category	Number Respondents	Percentage
House wives	35	07.0
Married Service Women	103	20.6
Unmarried Service Women	137	27.4
College Students	209	41.8
others	16	03.2

(**Sources:** Compilation of Primary data)

per cent) and (11.00 per cent) neither agree nor disagree. In future, consumers want to buy this brand and it will be their first choice was agreed by 52.40 per cent of the consumers of durable goods followed by those who strongly agree (24.80 per cent), neither agree nor disagree (20.20 per cent), disagree (1.40 per cent) and strongly disagree (1.20 per cent).

The results indicate that 45.80 per cent of the users of lipsticks have agreed that they would love to recommend this brand to their friends followed by users strongly agree (30.60 per cent), neither agree nor disagree (21.40 per cent), disagree (1.80 per cent) and strongly disagree (0.40 per cent). From the above table, it is observed that about 44.60 per cent has agreed with the notion that they will buy this brand even its price fluctuates followed by strongly agree (26.00 per cent), neither agree nor disagree (21.60 per cent), disagree (5.60 per cent) and strongly disagree (2.20 per cent). The brand will be their first choice is agreed by 48.60 per cent of the users followed by strongly agree (30.40 per cent), neither agree nor disagree (19.60 per cent), strongly disagree (0.80 per cent) and disagree (0.60 per cent).The results further indicate that 52.20 per cent of the users agreed with the ideology that they will not buy other brands if their brands are available at the store followed by strongly agree (29.80 per cent), neither agree nor disagree (14.20 per cent), strongly disagree (2.00 per cent) and disagree (1.80 per cent).

The F-value of 29.982 is significant at one per cent level of significance indicating that there is a significance difference in brand loyalty among the users of lipsticks. The total mean value on the loyalty is 4.08 which are having high degree of positive significance. Therefore, it can be concluded that respondents are psychological adjusted with the specific brand, and having full loyalty with their choice of brand. Hence, it can be concluded that the cosmetic users like lipsticks, are very much fond with their choice brand. They can not hesitate to compare their choice brand with the cost. **(Table : 4)**

Table : 3 Responds brand loyalty

Loyalty	Strongly Agree	Agree	Neither Agree Nor Disagree	Disagree	Strongly Disagree	Total	Mean	F-Value	Sig
I consider myself to be loyal to the brand.	41.20	47.80	11.00	0.00	0.00	100	4.3		
In future, I want to buy this brand and it will be my first choice.	24.80	52.40	20.20	1.40	1.20	100	3.98		
I would love to recommend this brand to my friends.	30.60	45.80	21.40	1.80	0.40	100	4.04		
I will buy this brand even its price increased.	26.00	44.60	21.60	5.60	2.20	100	4.08		
When buying product this brand will be my first choice.	30.40	48.60	19.60	0.60	0.80	100	4.07		
I will not buy other brands if my brand is available at the store.	29.80	52.20	14.20	1.80	2.00	100	4.06	29.982	0.01

(Sources: Compilation of Primary data)

Table : 4 Respondents brand association

Association	Strongly Agree	Agree	Neither Agree Nor Disagree	Disagree	Strongly Disagree	Total	Mean	F-Value	Sig
This brand has very unique brand image, compared with the competing brands.	45.20	41.80	10.20	2.00	0.80	100	4.3		
I respect and admire people who are having this brand.	18.80	57.00	17.40	2.80	4.00	100	3.8		
I like the brand image of this company.	31.20	53.40	10.40	3.20	1.80	100	4.09		
I like and trust this brand.	30.40	49.60	13.80	4.80	1.40	100	4.02		
The brand has enough warranty.	27.00	54.00	12.20	6.00	0.80	100	4.08	26.548	0.03
The brand has elegant.	22.40	49.20	24.80	2.80	0.80	100	3.9		
This brand is always available.	29.60	52.20	12.80	3.20	2.20	100	4.3		
The brand or product has very good service facilities.	31.00	49.20	14.00	3.20	2.60	100	4.02		

(Sources: Compilation of Primary data)

From the above table, it is clear that about 45.20 per cent respondents of the lipsticks users are strongly agreeing with the notion that the brands which have very unique brand image, compared with the competing brands followed where as users who agree are (41.80 per cent), neither agree nor disagree (10.20 per cent), disagree (2.00 per cent) and strongly disagree (0.80 per cent). The results show that about 57.00 per cent of the consumers of durable goods agreed that they respect and admire people who are having those brands & it is followed by the users who strongly agree (18.80 per cent), neither agree nor disagree (17.40 per cent), strongly disagree (4.00 per cent) and disagree (2.80 per cent).

From the above table, it is observed that about 53.40 per cent of the users agreed that they like the brand image of those companies followed by strongly agree (31.20 per cent), neither agree nor disagree (10.40 per cent), disagree (3.20 per cent) and strongly disagree (1.80 per cent). It is apparent that about 49.60 per cent of the consumers of durable goods agreed with that they like and trust those brands followed by strongly agree (30.40 per cent), neither agree nor disagree (13.80 per cent), disagree (4.80 per cent) and strongly disagree (1.40 per cent).

The brand is enough warranty is agreed by 54.00 per cent of the respondents followed by strongly agree (27.00 per cent), neither agree nor disagree (12.20 per cent), disagree (6.00 per cent) and strongly disagree (0.80 per cent). The brand has elegance is agreed by 49.20 per cent of the consumers of durable goods followed by neither agree nor disagree (24.80 per cent), strongly agree (22.40 per cent), disagree (2.80 per cent) and strongly disagree (0.80 per cent).

The brand is always available is agreed by 52.20 per cent of the respondents followed by strongly agree (29.60 per cent), neither agree nor disagree (12.80 per cent), disagree (3.20 per cent) and strongly disagree (2.20 per

cent). The brand has very good service a facility is agreed by 49.20 per cent of the users followed by strongly agree (31.00 percent), neither agree nor disagree (14.00 per cent), disagree (3.20 per cent) and strongly disagree (2.60 per cent).

The F-value of 26.548 is significant at five per cent level of significance indicating that there is a significance difference in brand association among the respondent users of lipsticks. The total mean on band association is 4.06 which is a positive indication of the result. Hence, it can be concluded that the respondent users are well associated with their brand only.

(Table : 5)

Table : 5 Confirmatory factor analysis (CFA) for brand equity on lipsticks

Brand Equity	Chi-Square Value	P-Value	G FI	CFI	RMR	RMSEA
Brand Association	5.351	0.606	0.98	0.99	0.02	0.06
Brand Loyalty	4.888	0.430	0.99	1.00	0.01	0.00

The results for brand association show chi-square value of 5.351 with other indices (GFI and CFI) that they fit excellently which is more than 0.90 with RMR and RMSEA less than 0.1. The results for brand loyalty indicate chi-square value of 4.888 with other indices (GFI and CFI) that they fit excellently which is more than 0.90 with RMR and RMSEA less than 0.1.

Conclusion

The cosmetic product like lipsticks plays an important role in the present fashion world. This cosmetic has been with mankind for quite a while. However, one thing to be noted here is that it did not begin in the early twentieth century or the century before that. The origins of lipstick lie in the mists of time; in the beginnings of human civilization in fact. In twenty-first century lipsticks become undying products for the users. They can "live without food but not by using lipsticks" most of the respondents opined their views on the essentiality of lipstick on their life. The users are well associated and loyal to the preference products of theirs. The users are not paying much importance on the cost of the materials whatever it is, but they are very anxious about brand.

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EMPLOYABILITY: DO BUSINESS SCHOOLS DELIVER WHAT INDUSTRY EXPECTS? AN INDIAN CONTEXT

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Abstract

The purpose of higher education is to ensure consistent supply of employable graduates for different streams of the industry. The human resource managers of industries have their own standards and methods to recruit employees to optimize human capital and performance of the talent pool. One of the challenges all the stakeholders of higher education face now is the ever growing industry expectation on employability skills of fresh graduates and the competence they acquire through education. This research is an attempt to identify the causes for the widening of thegap between employability and the industry's outlook. The population of this research comprises of graduates from different universities and the employers from the regional industry. The data from graduates include the results of the employability skill assessment and surveys on the satisfaction level of graduates from the four categories of institutions which are affiliated with the arts, commerce and science university , technical university and deemed university or autonomous business schools. The results indicate that the employability level of the students varies from one institution to another institution. In spite of specialized education, the satisfaction with expectation level of employers from the fresh graduates is disappointing and the actual skill attained from education is not matching as per the industry's requirements. It emphasizes the inadequacy in training and various shortfalls in the management institutions. The survey on the satisfaction level of graduates on the facilities available also manifest that they are not content with the facilities and training available in the institutions.

Introduction

Employability can be defined as the set of skills, attributes, understandings, achievements, and qualifications a graduate has gained that allows them to retain a job and be successful in their chosen career. These skills can be split into two groups: the "core" segment specific skills, and "generic" transferable skills. Generally, these skills can be applied in four contexts: self-management, managing others, management of information, and task completion (Yoke and Knight 2006). Core skills help the employee complete specific tasks, while generic skills are diverse and include intelligence, and meta and key competencies (Allen et al. 2005). Competency is the ability of an individual to apply knowledge, skills, values, and attitudes to facilitate superior performance in a given situation (Fleming et al 2009).

The role of higher education in a knowledge economy is to ensure a supply of employable graduates, and aid in the smooth functioning of administration and social welfare, effective integration of industry demands and curriculum, and economic growth. Higher education management varies from nation to nation according to industry demands, demographic and geographic factors, economic policies, and government investment priorities (Fan et al. 2007).

Management education has been to subject to consistent growth worldwide because it adapts professionals from other disciplines to business. It has also helped to explore new business opportunities, acclimatize technological and economic changes, instill skills needed for business in younger generations, and uplift national business strategies to a global perspective. Demand for management professionals has increased, because of rapid economic growth in developing nations due to globalization and national policies that encourage entrepreneurship. A growth in entrepreneurship in any economy reflects the quality of management education and graduate attributes such as self-reliance, confidence, knowledge, and creativity. The growth of the service industry has fueled the demand for efficient managers.

As the demand for management professionals has increased, the number of institutions and students pursuing management education has increased globally (Raza and Naqvi 2011). The intellectual capital in regional business schools has also witnessed a tremendous growth in terms of research, publications, and textbooks. Management teachers with academic and hands on industrial experience impart practical knowledge to students (Philip 2005).

Literature Review

Higher education has a very significant role with regard to unrelenting industrial growth, because of increasing demands for qualified workers and corporate training (Orrell 2004). One of the top priorities of many types of businesses is the replacement of a retiring experienced workforce with a new generation, which is a challenge. Hence, industry needs competent and consistent professionals who can adapt to a dynamic global business environment (Taylor 2005). Experiential learning

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is one strategy that can improve the employability attributes of graduates. The learner can experiment with ideas, analyses, and interpretations. Learning includes four stages: reflection, experience, observation, and action (Butler 2010). Businesses prefer professionals with qualities such as 'grit' (Duckworth et al. 2007) and career self-management. They perceive career success in terms of psychological success at an individual level, rather than aiming for career progression through an organizational hierarchy with its associated status markers. The two models 'protean career' (Hall 2004) and 'boundaryless career' emphasize continued employability through inter-organizational moves, career self-management, lifelong learning, and a transactional psychological contract (Clarke 2008). Individuals who aim at career self-management concentrate more on self-advancement, take advantage of career enhancement opportunities, take on extra roles, network, and learn persuasion skills and organization politics (King 2003).

Research has revealed that managers with a Master of Business Administration (MBA) degree have high self-confidence, high self-efficacy, strong workplace skills, and vast industry knowledge; have strong people, analytical, negotiation, and organizational skills; are effective in a team; and have the potential to adapt to cross-cultural environments (Hwang et al. 2011).Their development is attributed to micro level factors (individual human factors), rather than meso-level (based on a specific job or characteristics of a particular job) or macro- level (demographic or structural factors) (Hwang et al. 2011). AACSB (The Association to Advance Collegiate Schools of Business) has identified nine key business skills essential for managers: analytical skills, information technology, decision making, initiative, leadership, oral communication, planning and organizing, risk assessment, and written communication. Managers need to be good decision makers, be analytical, demonstrate leadership, have interpersonal and communication skills, display good health and safety habits, and be committed and mature (Dacko 2006; Shafie and Nayan 2010).

Employability models

The four main elements of employability are employability assets (knowledge, skill and attitudes), deployment (career management skills), job-seeking skills (curriculum vitae preparation and interview techniques), and environment (personal commitments and job market trends) (Hillage and Pollard 1998; Artes et al. 2011). The USEM account of employability discusses four interrelated components: understanding, skills, efficacy beliefs and meta cognition (Yorke and Knight 2004). The DOTS model uses four components of employability: decision learning skills, opportunity awareness, transition learning and self-awareness (Watts 2006). The "Key to

Employability Model" gives a sequence of components that develop employability. The sequence is reflection and evaluation, self-efficacy and self-confidence, self-esteem, and employability. The reflection and evaluation component consists of five parts, represented by "career EDGE" (career, experience, degree subject knowledge, generic skills, and emotional intelligence). Personality development programs (PDP) help to improve the reflection and evaluation of graduates (Pool and Sewell 2007). Employability can be split into internal employability and external employability (Rothwell and Arnold 2005). Internal factors are related to personal skills, and external factors are dependent on the chosen occupation (the average wage in the industry, availability of employees for that particular job, economic and job market trends) (Mallough and Kleiner 2001).

Employability enhancement strategies

Factors that affect the employability of management graduates and remedial strategies vary from one nation to another. Higher education institutions in the UK have responded to the employability agenda by incorporating career education, information and guidance (CEIG) into the curriculum through career services, personal development planning, and specialist career modules (Greenbank 2011). In Australia, Victoria University aims to boost the career opportunities of its graduates through its Student Career Development Unit, which focuses on three objectives: improve job search skills, increase self-awareness, and develop strategies to achieve employment goals. This helps graduates to improve their job-seeking skills, and develop a set of marketable and transferable skills that allows them to independently manage their career (Miller 2003). In Pakistan, variations in academic standards between institutes, a high focus on the syllabus, and a lack of focus on the national or local economy in the curriculum have adversely affected employability (Nazim 2012). The Malaysian government has an initiative that incorporates training programs for improving employability skills, which has improved the employability of graduates and resulted in unemployability level growth below 24% (Daud et al. 2010). Unpredictable changes to the economic environment, especially downtrends such as recession, also affect the job market. Higher education must be dynamic enough to adapt to these negative trends and must equip the students to overcome the associated challenges (Rae 2008).

The 360 degree evidence based approach to curriculum enhancement for graduate employability has four levels (determine capabilities, map inputs, evaluate outcomes, plan enhancement), and six steps (determine capabilities and standards, curriculum maps, work integrated learning, student portfolios, course portfolios to support

student's achievement of the capabilities through WIL, benchmarking portfolios) (Oliver 2010).

One major contribution of management education is to promote an enterprise culture among graduates, which in turn boosts employment and the local economy, and exploits business opportunities (Smith et al. 2011). Entrepreneurship training develops transferable skills and the ability to identify and exploit opportunities. The perception of the desirability and personal feasibility of starting a business have to be analyzed using the concept of 'entrepreneurial intention'. The development of employability skills is the first step in entrepreneurship (Moreno et al. 2011). It can be improved by increasing the involvement of industry in curriculum preparation, lectures, internships, and projects (Lowden et al. 2011). It is vital to include the regional business environment, issues, and opportunities in the curriculum to meet local employment demands and motivate graduates to benefit from regional entrepreneurial opportunities (Chatterton and Goddard 2000).

Theoretical framework

Employability skill enhancement is an integral part of higher education all over the world; it meets the dynamic demand of industry and continuously improves the curriculum to incorporate new concepts, technologies, and an enterprise culture. The target of higher education is to provide work-ready professionals to industry, and the only strategy is to include experiential learning and research as a part of the curriculum. Yorke and Knight (2006) suggested that incorporating work-based components and employability-related modules into the curriculum could improve employability. They also identified eight sets of abilities that should be developed. They are communication, analysis, problem solving, decision-making, social interaction, global perspectives, effective citizenship, and aesthetic responsiveness. The effectiveness of employability skill improvement programs depends on training needs assessment, tools used for skill assessment, training content, identifying the skill to be developed, and post training feedback. Continuous professional development (CPD) and a work-integrated dissertation environment enhance employability. Trainability is one criterion that businesses consider when they employ a new graduate (Lim and Jamil 2012).

Hence our first hypothesis is

H1: *The employability skill development programs included in the curriculums of Indian business schools are invariantly effective, irrespective of the curriculum followed.*

Industry always demands business-ready graduates with strong core and generic skills to sharpen competitiveness increase the talent pool, and aid growth. Archer and Davison (2008) listed ten skills that employers look for

in new graduates. They are communication, teamwork, integrity, intellectual ability, confidence, character/personality, planning and organization, writing, numeracy, and decision-making .The ten most important capabilities are IT skills, post graduate qualification, good degree classification, qualification from an institution with a good reputation, intellectual ability, character/personality, teamwork skills, relevance of study, integrity, and cultural fit with the company Employers prefer business-ready graduates to academically high-achieving students (Raza and Naqvi 2011). Our second hypothesis considers whether employer expectations match graduate skills.

H2: *The employability level of new Indian management graduates is at par with the expectations of the local industry.*

The role of institutions in maintaining academic quality is significant. They provide infrastructure, faculty expertise, learning and computational facilities, employability skill development, and a continuous evaluation of academic standards. Institutions are responsible for updating their curriculum and facilities at a par with industry requirements. The institutions in a particular region can address regional job requirements in their curriculums such as language, culture, climate, lifestyle, economical, and geographical peculiarities (Chatterton and Goddard 2000). They can include innovative concepts such as venture matrix (Ehiazaryan and Baraclough 2009), citizen performance system (Poropat 2011), and work integration in the curriculum.

Our third hypothesis is

H3: *The management institutions provide all facilities to ensure that the employability of graduates is at a par with industry standards.*

Methodology

The population of this research comprised prominent employers in the local industry, and graduates from institutions that provide the MBA or Post Graduate Diploma in Management a regular course in the Coimbatore District of Tamil Nadu State in India. Both populations are very large, so we used stratified sampling for data collection.

The population of employers includes prominent manufacturers, service providers, and traders in Coimbatore. Local industries include pump manufacturing, cotton mills, automobile agencies, telecom operators, private financial institutions, jewelries, IT industries, textile shops, and other manufacturing and trading firms. The graduate respondents included final year students of seventy institutions affiliated to Bharathiar University, Anna University, and other universities approved by the All India Council for Technical Education (AICTE). The Coimbatore district is considered

a higher education hub in Tamil Nadu State, especially for technical and management education, and is an industrially developed district.

As the population is large, we calculated that the minimum sample size of each population was 385 for a 50 % variance and 95 % acceptance (Krejcie and Morgan 1970; Israel 2009). We used a structured questionnaire with a five-point Likert scale to collect data from employers, to assess their expectation on the employability level of fresh graduates. The same method was used to collect data from final-year students, to assess their satisfaction level on the quality of service and facilities available in their institutions. The employability level of the students was evaluated by a series of tests comprising psychometric tests, group discussions, seminars, and personal interviews. We calculated the score using a structured format based on a Likert scale, with a specified interval.

Nine hundred questionnaires were distributed among employers using convenience sampling, and 463 questionnaires were returned (a response rate of 51.44 %). We considered 431 responses in our analyses, as 32 responses were unusable. We calculated the weighted mean to generate a composite score of the expectation of the employers (Mbamali, Okotie 2012; Tastle et al. 2005). The business schools included in our survey consisted of 19 colleges affiliated to Anna University, 22 colleges affiliated to Bharathiar University, 9 colleges affiliated to deemed or foreign universities, and 20 autonomous institutions. Deemed Universities are the private universities established under Section 3 of the UGC Act. Deemed to be university status is granted by the Central Government to those educational institutions of repute, which fulfills the prescribed standards and comply with various requirements laid down by the UGC (UGC, 2003). We considered each group of institutions as a stratum.

The weighted means of employability score of four strata of institutions, overall employability score and employers expectation are normally distributed(tables 2a, 3a). As the samples are normally distributed, they represent the population well. As the weighted means are normally distributed, we used the paired t test to analyze the variations of the dependent variables from one population to another.

Analysis and Discussion

We calculated the employability score of each stratum as the weighted mean of the Likert scale responses. We also calculated the weighted mean of the total sample. The skills were grouped into three sets: personal, core, and process skills. They were rank ed in descending order of weighted mean to identify the strong, medium and weak skills of each stratum.

(Table : 1)

The results demonstrate that the core skills are ranked higher than personal skills. The ranking order of the overall score (taking all strata together) reveals that skills including self-management, listening, written communication, creativity, critical analysis, explaining, and oral communication are the highest ranking of the core skills. In India, new students must score highly in qualifying entrance examinations conducted by approved bodies such as the Common Aptitude Test, Common Management Aptitude Test, and Management Aptitude Test. A 50 % mark or equivalent grade is required in undergraduate examinations. These tests assess reading skills, global awareness, and critical analysis. Another component of higher education is group discussion. At this level, skills including explaining, oral communication, self-management ability, teamwork, accountability, and ethical sensitivity are evaluated. Hence, these skills rank highly in our analysis. These skills improve during education, and after graduation.

Personal skills have a low rank, as these skills are not effectively assessed during the admission process. The institution must include training needs assessments to determine any deficiencies. In this employability skill assessment process, the participants were given a set of cases to assess how they apply their managerial skills. The graduates of all strata had a low rank for stress tolerance, analytical skills, and self-awareness. More emphasis was given to assess the applying of knowledge and skill of graduates in personal interviews. We also assessed the big five personality traits which are agreeableness, conscientiousness, emotional stability, extrovert, openness to experience (Robbins et al 2012). Personal skills can be improved by soft skill training, participation in extracurricular activities, exposure to real work environments, and involvement in academic research or industrial projects. The lower-ranked core skills were numeracy and information retrieval.

Process skills are essential for a graduate to perform well in a work environment. The higher ranked process skills were accountability, ethical sensitivity, teamwork, ability to justify and argue, coping with complexity, commercial awareness, political sensitivity, and negotiating and influencing. The lower-ranked process skills were ability to work cross-culturally, prioritizing, planning, decision-making, knowledge in Enterprise Resource Planning software, computer literacy, and sincerity and honesty. Only a work-integrated curriculum can improve these skills. The lower rank of these skills reveals that the institutions focus on a theory-based syllabus, and do not have a work-integrated curriculum. The descriptive statistics show that the average employability scores of the four strata of institutions are 2.696 (Bharathiar University), 2.5932 (Anna University),

2.68 (deemed), and 2.66 (autonomous). The results of the paired t tests show that there is a significant difference in the employability level of graduates from Anna University compared with the other groups (p= 0.000<0.05), and that there is no significant difference in the employability level of graduates in the Bharathiar, deemed, and autonomous institutions (p>0.05).

(Table : 2c)

Our results show that the employability skill development programs in institutions and universities are not invariantly effective, irrespective of the curriculum. *Hence, Hypothesis H1 is rejected.* The employability skill scores vary from one stratum of institutions to another.

The institutions affiliated to Bharathiar University are the oldest institutions in Coimbatore and have a proven academic system, brand image, and placement record. Many institutions that were affiliated to Bharathiar University have been upgraded to autonomous institutions and are considered the top institutions in Coimbatore. The deemed universities in Coimbatore also have a good academic system and placement record. However, most of the stand-alone business schools affiliated to Anna University is new colleges (incepted after 2006). They are still developing an efficient academic system, and hence they have lowest employability. The employability skills of graduates vary between universities, and between institutions. In addition, employability depends on the curriculum. Employability assessment must be continuous, systematic, and entrenched in the department in the same way as academic practices (Lowden et al. 2011).

We used the paired t test to analyze whether there is any significant difference between employer's expectations on the employability of new graduates and the skills attained from education. There is a difference in the weighted means (1.741) at a significance level of p=000< 0.05, with a t value of 35.835. This demonstrates that the graduates of management institutions are not meeting the expectations of industry. The difference between the expectations of the industry and the overall employability level of the graduates gives the 'training gap'. Institutions must concentrate on providing more training in these areas. The existence and growth of an institution depend on the quality of service, facilities provided, and customer satisfaction. The quality and involvement of the faculty in improving students' academic skills, developing employment skills, experiential learning, and extracurricular activities must be improved (Ghani et al. 2012). A particular skill requires training if the difference in employability score and industry expectation is very negative.

As the employability level of the graduates is not at a par with the expectations of the industry, *Hypothesis*

H2 is rejected. Local industry demands more from MBA graduates than graduates without an MBA as they can deliver the expected results and achieve targets. However, local industry prefers graduates without an MBA to MBA graduates as the former deliver the same results at a lower cost. Institutions must reduce this gap and implement steps to enhance the employability of MBA graduates, so that local industry can distinguish differences in capability and recruit more MBA graduates. Industry demands improvements in communication, analysis, explaining, influencing, numeracy, accountability, teamwork, willingness to learn, computer literacy, and listening. This agrees with the research findings of Baharun et al. (2012) in southern Malaysia.

(Table : 2c)

We compared the satisfaction level of graduates from the four strata of institutions to determine whether they are satisfied with the services available at their institutions. We selected the parameters for the evaluation as per the approval process handbook of the AICTE. We used the paired t test to analyze whether the satisfaction levels of graduates from all strata of institutions are the same. The results demonstrated a high satisfaction level for the students from autonomous institutions (table: 3 c). In autonomous institutions, they maintain a student-faculty ratio, an updated curriculum, and all facilities as per affiliating and approving bodies. In addition, they provide employability enhancement and placement programs to their students. They concentrate more on the work readiness of graduates than the syllabus. However, the academic system of universities is highly focused on the syllabus they follow, and there is limited scope for developing soft, computer, and analytical skills. This is reflected in graduate placement. At a corporate level, graduates from autonomous institutions are preferred to those from other institutions. The paired t tests demonstrate that there is a significant difference in the satisfaction level of students from autonomous institutions and other institutions. The satisfaction levels of students from institutions affiliated to universities and deemed universities are similar. The overall satisfaction level of MBA graduates reveals that they are not happy with the service available in their institutions, as the overall mean is just 2.296. Hence, we reject the third hypothesis that the institutions provide facilities as per the affiliated universities and approved agencies, and provide training on a par with industry requirements. They provide the appropriate facilities, but fail to guarantee adequate training to boost graduate's personal and process capabilities.

Conclusion

The employability of graduates depends on the talents they acquire from their education, starting from schooling

and extending to management education. In management education, the institutes can develop professional skills that are essential for adapting to a highly competitive business world, and freshen up personal and core skills through training and activities. Our research shows that management education and training alone are insufficient for acquiring employability skills, and that graduates must also be exposed to experiential learning, quality education from schooling through to graduation, and the commercial and business environment. The wide gap between the expectations of industry and graduate skills must be narrowed through training. The fall in satisfaction of MBA graduates is mainly attributed to low employability after spending a large amount of money, and the lack of training programs to improve work readiness. Institutions must consider employability skill development to meet industry demands, and start initiatives to raise the quality of Indian management education to global standards.

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Table : 1a Comparison Employability score of four strata of institutions with Industry expectation and assessment of skill and training gap

Skill	Bharathiar		Anna		DEEMED		AUTONOMOUS		OVERALL		Industry expectation		Employability Skill gap	
---	---	---	---	---	---	---	---	---	---	---	---	---	Difference in Weighted mean	Difference in Rank
	1	2	3	4	5	6	7	8	9	10	11	12	11-9	12-10
	WM	Rank	WM	Rank	WM	Rank	WM	Rank	WM	Rank	WM	Rank		
Personal skills														
Analyticalskill	2.420	35	2.210	37	2.472	33	2.58	31	2.426	36	4.67	4	2.09	-32
Stresstolerance	2.500	31	2.180	39	2.299	39	2.601	27	2.398	37	4.44	25	1.839	-12
Adaptability	2.560	28	2.520	26	2.685	19	2.652	23	2.608	28	4.41	28	1.758	0
Selfawareness	2.410	36	2.570	22	2.48	32	2.275	40	2.428	35	4.39	33	2.115	-2
Selfconfidence	2.640	25	2.510	28	2.575	28	2.543	32	2.564	30	4.58	13	2.037	-17
Willingnessto learn	2.690	19	2.340	34	2.512	30	2.435	35	2.487	33	4.63	10	2.195	-13
Independence	2.680	22	2.760	11	2.937	4	2.783	12	2.794	11	4.54	16	1.757	+5
Reflectiveness	2.490	32	2.470	30	2.472	34	2.739	15	2.549	32	4.41	29	1.671	-3
Core skills														
Reading effectiveness	2.910	9	2.520	27	2.874	8	2.913	4	2.806	10	4.67	5	1.757	-5
Numeracy	2.460	34	2.490	29	2.512	31	2.377	38	2.459	34	4.44	26	2.063	-8
Information retrieval	2.300	39	2.350	33	2.362	38	2.312	39	2.331	39	4.41	31	2.098	+8
Language skills	2.580	27	2.300	36	2.937	5	2.986	2	2.715	17	4.23	40	1.244	+23
self management ability	3.000	4	2.570	23	3.22	1	3.109	1	2.982	1	4.58	14	1.471	+13
critical analysis	3.120	1	3.000	1	2.701	18	2.906	5	2.923	5	4.63	11	1.724	+6

Creativity	3.120	2	2.840	6	2.913	6	2.862	7	2.925	4	4.54	17	1.678	+13
Listening	3.060	3	2.880	4	2.953	3	2.92	3	2.947	2	4.41	31	1.49	+29
Oral presentation	2.880	11	2.740	13	2.819	12	2.819	9	2.812	9	4.78	2	1.961	-7
Written communication	2.960	5	2.950	3	3.087	2	2.797	11	2.945	3	4.4	32	1.603	+29
Explaining	2.920	8	2.960	2	2.882	7	2.906	6	2.915	6	4.82	1	1.914	-5
global awareness	2.860	12	2.660	18	2.685	20	2.71	18	2.725	13	4.53	20	1.82	+7
Process Skill														
Computer literacy	2.560	29	2.570	24	2.425	37	2.601	28	2.626	26	4.6	12	2.251	-14
ERP software	2.110	40	2.120	40	2.441	36	2.63	25	2.62	27	4.34	38	1.999	+11
Commercial awareness	2.790	16	2.670	16	2.717	17	2.732	16	2.725	14	4.46	24	1.728	+10
political sensitivity	2.900	10	2.670	17	2.669	22	2.681	20	2.723	16	4.32	39	1.639	+23
Ethical sensitivity	2.960	6	2.850	5	2.787	14	2.761	14	2.834	8	4.36	37	1.599	+29
ability to work cross culturally	2.390	37	2.200	38	2.205	40	2.384	36	2.293	40	4.38	35	1.996	-5
Prioritizing	2.350	38	2.320	35	2.465	35	2.384	37	2.382	38	4.49	23	2.106	-15
Planning	2.480	33	2.410	32	2.638	24	2.688	19	2.562	31	4.37	36	1.682	+5
applying subject understanding	2.690	20	2.470	31	2.843	11	2.775	13	2.697	19	4.54	18	1.765	-1
acting morally	2.540	30	2.530	25	2.85	9	2.732	17	2.671	22	4.58	15	1.848	-7
coping with complexity	2.630	26	2.790	7	2.787	15	2.645	24	2.713	18	4.44	27	1.795	+9
problem solving	2.670	23	2.700	15	2.669	23	2.594	29	2.657	24	4.54	19	1.946	-5

Influencing	2.690	21	2.630	19	2.795	13	2.623	26	2.685	20	4.65	7	2.027	-13
ability to justify and argue	2.660	24	2.770	8	2.787	16	2.681	21	2.725	15	4.53	21	1.849	+6
resolving conflicts	2.810	14	2.590	20	2.685	21	2.674	22	2.685	21	4.52	22	1.846	+1
Negotiating	2.740	17	2.770	9	2.638	25	2.543	33	2.667	23	4.39	34	1.847	+11
Decision making	2.720	18	2.730	14	2.528	29	2.464	34	2.602	29	4.67	6	2.206	23
Team work	2.810	15	2.760	12	2.606	27	2.804	10	2.745	12	4.65	8	1.846	-4
Accountability	2.930	7	2.770	10	2.85	10	2.848	8	2.846	7	4.65	9	1.802	+2
Sincerity & honesty	2.850	13	2.590	21	2.622	26	2.594	30	2.657	25	4.75	3	2.156	-22
Average	2.696		2.593		2.685		2.663		2.659		4.6		1.8555	

Table : 2a Comparison of Employability score of four strata of institutions and with industry expectation

Tests of Normality

	Kolmogorov-Smirnov[a]			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
Industry Expectation	.119	40	.162	.976	40	.533
BHARATHIAR	.068	40	.200*	.985	40	.855
ANNA	.078	40	.200*	.975	40	.503
DEEMED	.082	40	.200*	.990	40	.974
AUTONOMOUS	.091	40	.200*	.975	40	.516
Overall E. Score	.093	40	.200*	.970	40	.362

Table: 2b

	Mean
BHARATHIAR	2.69600
ANNA	2.59325
DEEMED	2.68
AUTONOMOUS	2.66
Overall E. Score	2.67
Industry Expectation	4.518500

Table : 2c

		Paired Differences							
					95% Confidence Interval of the Difference				
		Mean	Std. Deviation	Std. Error Mean	Lower	Upper	t	df	Sig. (2-tailed)
Pair 1	BHARATHIAR - ANNA	.102750	.148514	.023482	.055253	.150247	4.376	39	.000
Pair 2	BHARATHIAR - DEEMED	.011400	.178972	.028298	-.045838	.068638	.403	39	.689
Pair 3	BHARATHIAR - AUTONOMOUS	.032950	.161581	.025548	-.018726	.084626	1.290	39	.205
Pair 4	BHARATHIAR - Industry Expectation	-1.751250	.307781	.048664	-1.849683	-1.652817	-35.986	39	.000
Pair 5	ANNA - DEEMED	-.091350	.196583	.031083	-.154220	-.028480	-2.939	39	.006
Pair 6	ANNA - AUTONOMOUS	-.069800	.215949	.034144	-.138864	-.000736	-2.044	39	.048
Pair 7	ANNA -Industry Expectation	-1.854000	.305713	.048337	-1.951772	-1.756228	-38.355	39	.000
Pair 8	DEEMED - AUTONOMOUS	.022	.123	.020	-.018	.061	1.105	39	.276
Pair 9	DEEMED - Industry Expectation	-1.763	.296	.047	-1.857	-1.668	-37.611	39	.000
Pair 10	AUTONOMOUS - Industry Expectation	-1.784	.280	.044	-1.874	-1.695	-40.302	39	.000
Pair 11	Overall E. Score -Industry Expectation	-1.776	.269	.043	-1.862	-1.690	-41.729	39	.000

Paired Samples Test

Table : 3a Comparison of satisfaction level of graduates in four strata of institutions
Tests of Normality

	Kolmogorov- Smirnov[a]			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
Deemed	.072	52	.200*	.974	52	.302
Bharathiar	.106	52	.200*	.975	52	.343
Anna	.085	52	.200*	.963	52	.105
Autonomous	.050	52	.200*	.982	52	.613

Table: 3b

	Mean
Bharathiar	2.24
Anna	2.29
Deemed	2.23
Autonomous	2.42

Table : 3c
Paired Sample T Test

		Paired Differences							
					95% Confidence Interval of the Difference				
		Mean	Std. Deviation	Std. Error Mean	Lower	Upper	t	df	Sig. (2tailed)
Pair 1	Bharathiar- Anna	-.053	.378	.052	-.158	.052	-1.012	51	.317
Pair 2	Bharathiar-Deemed	.012	.349	.048	-.085	.109	.251	51	.803
Pair 3	Bharathiar-Autonomous	-.179	.295	.041	-.261	-.096	-4.365	51	.000
Pair 4	Anna - Deemed	.065	.324	.045	-.025	.155	1.452	51	.153
Pair 5	Anna - Autonomous	-.126	.398	.055	-.236	-.015	-2.276	51	.027
Pair 6	Deemed-Autonomous	-.191	.334	.046	-.284	-.098	-4.113	51	.000

EFFECTIVENESS OF INTERNET ADVERTISING IN COIMBATORE CITY – AN EMPIRICAL STUDY

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Abstract

This paper examines the concept and effectiveness of internet advertising among the consumers who use Internet for various purposes. Internet advertising is the means of promoting a product on the internet using various internet features. With the arrival of the internet, the business world has become digitalized, and people prefer to buy products from internet, which is easier and faster. Internet advertising, otherwise known as e- advertising, gives a new dimension and unique charm to the product, which is an added advantage. The primary objective of the study was to explore how the internet advertising create awareness among people and how do they take purchase decision through internet.

The dominant conclusion arising from this study is that the people are much aware about internet advertising and also search for more information about the products that they would like to purchase. This research concludes that the internet advertising is more reliable in giving right information about the product but does not have any positive impact on purchase decision due to various risks like online transaction, product delivery etc.,

This report is useful to the management of the company who are using internet advertising to know the satisfaction level of consumers and to take suitable measures to increase internet sales. This report may be useful to the management students for reading, and may be useful in preparing their report on the internet advertisements. The sample size was confined to 150 respondents. The sample size was limited to Coimbatore city.

Keywords: Internet advertising, online transaction, e-advertising, internet sales

Introduction

Internet advertising

Internet advertising is a form of promotion that uses the Internet and World Wide Web for the expressed purpose of delivering marketing messages to attract customers. Examples of internet advertising include contextual ads on search engine results pages, banner ads, Rich Media Ads, Social network advertising, Internet classified advertising, advertising networks and e-mail marketing, including e-mail spam. Internet video directories for brands are a good example of interactive advertising.. The primary benefit of Internet advertising over traditional form of advertising is that it surpasses all geographical boundaries, which cannot be gained locally. This leads to great progress in business, which is the ultimate aim of any businessman. Internet advertising offers a wide spectrum of recognition, which is incomparable to any other mode of advertising.

Internet advertising has no time limitations and can be viewed day and night throughout the globe. It also reduces the transaction cost and contributes to the profit of the company and is secure in competition against international marketing. The owner is much more satisfied because a secured business is more beneficial and reliable. Certainly, internet advertising is one step ahead over others, and helps to keep pace with the fast-changing world. The emergence and ubiquity of the

Internet has proven itself of having huge potential as an advertising medium. Internet advertising has been the fastest growing part inside the whole advertising industry. As an interdisciplinary research field, internet advertising needs support from different disciplines such as business, psychology and computer science

Online advertising, also called **Internet advertising**, uses the Internet to deliver promotional marketing messages to consumers. It includes email marketing, search engine marketing, social media marketing, many types of display advertising (including web banner advertising), and mobile advertising. Like other advertising media, online advertising frequently involves both a publisher, who integrates advertisements into its online content, and an advertiser, who provides the advertisements to be displayed on the publisher's content. Other potential participants include advertising agencies that help generate and place the ad copy, an ad server who technologically delivers the ad and tracks statistics, and advertising affiliates who do independent promotional work for the advertiser.

Online advertising is a big business and growing rapidly. In 2011, Internet advertising revenues in the United States surpassed those of cable television and nearly exceeded those of broadcast television. In 2012, Internet advertising revenues in the United States totaled $36.57 billion, a 15.2% increase over the $31.74 billion in revenues in

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2011. Online advertising is widely used across virtually all industry sectors.

Despite its popularity, many common online advertising practices are controversial and increasingly subject to regulation. Furthermore, online ad revenues may not adequately replace other publishers' revenue streams. Declining ad revenue has led some publishers to hide their content behind pay walls.

Review of Literature:

Internet advertising is a form of promotion that uses the Internet and World Wide Web to deliver marketing messages to larger audience. Examples of Internet advertising include contextual ads on search engine results pages, banner ads, blogs, rich media ads, social network advertising, interstitial ads and e-mail marketing. Novak and Hoffman (1996) empirical evidence suggests that consumers respond to much of the advertising on the Internet in the same ways as they respond to advertising in traditional media, at least with respect to traditional measures of advertising effectiveness. Zeff and Aronson (1997) had provided "why" Internet advertising should become part of a company's strategic business plan.. This book had detailed how to price internet advertisements and target an audience. Leonard, Pollard, & Leong (1998) had highlighted the consumer privacy issue. The article had detailed the Internet, EC boom, and the issues that were affecting it. It had gone into many legislation and legal issues. Schwartz (1999) had some thoughtful ideas on brand recognition also. He had felt that the Internet community had been viewing brand recognition and Internet advertising incorrectly. Briggs and Stipp (2000), share learning accumulated on the effectiveness of different types of ad formats. Internet advertising is a commercial communication intended to generate a response over time. Anandam P. Kavoori and Kalyani Chadha (2001) study the future of the internet in the developing world by examining the discourse of advertising. It argues that the themes emergent in the advertising of internet firms provide for a vision of the future of the internet.

Objectives of the Study

1. To analyse the effectiveness of internet advertising in Coimbatore city
2. To study the role of internet advertising in creating awareness among customers.
3. To study the decision making process of consumers purchasing through internet.
4. To analyse the factors that influence consumer behavior in internet advertising.
5. To provide recommendations based on research findings

Research Methodology

Research Design**:**

This research is based on a descriptive analysis. The study relates to "Effectiveness of Internet Advertisements in Coimbatore - An Empirical Study ". A research design for the data collection exercise was framed at the beginning of the project. People with various categories of occupations have been clustered together. Among the cluster, random sampling has been conducted. The total sample size is 150 respondents. They have selected from the city Coimbatore. Both primary and secondary data were collected as a part of the project research. Primary data were collected by ordinary designed questionnaire from the people for the purpose of analyzing satisfactory level of internet users towards advertisement and their expectations**.** The primary data is playing a vital role in solving the research problem. Secondary data was collected with the help of various Books, Journals, Magazines and also from websites.

Statistical Tools Used

The data has been analyzed mainly by using the following method

- Simple percentage
- Chi square test
- Likert scale analysis

(Table : 1)

The above table indicates that majority of the respondents are female, most of the respondents are under 30 years of age, majority of the respondents fall under unmarried. The table also shows that most of the internet users completed undergraduate and maximum of students use the internet.

(Table : 2)

Table no.2 indicates that majority of the respondents use internet everyday and also they state that the internet advertisements are informative. Majority of the users surf internet at home and sometimes they click internet advertisement to get information about the products. Also maximum of the users purchase dress items through internet. About effectiveness and impact of advertisement, they say it is good and it lasts for few hours in their mind. They also view that internet advertisements are attractive and seem to be worth.

HO **:** There is no significant relationship between the respondents' occupation and their view on internet advertisements.

H1**:** There is significant relationship between the respondents' occupation and their view on internet advertisements.

Data Analysis and Interpretation

Table : 1 Demographic Profile of the Respondents

S.No	Demographic Profile		%
1	Gender	Male	37
		Female	63
2	Age	Under 30	67
		30 – 40	15
		40 – 58	15
		above 58	3
3	Marital Status	Married	36
		Single	64
4	Educational Qualification	Below 10th	7
		10th-12th	13
		Under Graduate	63
		Post graduate	18
5	Income Level	Below 8000	9
		8000-15000	21
		15000-25000	15
		Above 25000	14
		Dependent And Students	41
6	Occupation	Farmer	5
		Business	21
		Student	51
		Professional	15
		Others	8

(Source: Primary data)

Table : 2 Usage of the Internet

S.no	Internet Usage of the Respondents		%
1	Usage of Internet	Once in a month	15
		Once in a week	25
		Every day	33
		Occasionally	27
2	Respondent Think About internet Advertising	Inf ormative	44
		Irritating	20
		Creates Awareness	23
		Waste Of Time	13
3	Source Of Accessing The Internet	Home	36
		Workplace	26
		Cyber café	15
		Mobile Phone	23

4	Check/See Internet Advertisements when they surf Internet.	Never	19
		Sometimes	43
		Often	16
		Depends On Ads	17
		Every time	5
5	The product which would like to Purchase	Food products	13
		Dress Items	37
		Electronic Goods	25
		Furniture	6
		Others	19
6	Effectiveness of Internet Advertisements	Excellent	13
		Very good	23
		Good	31
		Fair	21
		Poor	12
7	How long an Impact of Advertisements lasts	Few Hours	48
		One day	23
		One week	17
		One month	7
		More than one month	5
8	Rating of information given in Internet Advertisements	Quality	27
		Educative	25
		Uncertain	20
		Attractive	27

(Source: Primary data)

Table : 3 Relationship between respondents' occupation and their view on internet advertisements

Occupation	Respondents view on Internet Advertisements				Total
	Informative	**Irritating**	**Awareness**	**Waste of Time**	
Farmers	1	4	2	1	8
Business	8	7	12	5	32
Student	43	10	13	10	76
Professional	11	5	3	3	22
Others	3	4	5	0	12
Total	**66**	**30**	**35**	**19**	**150**

(Source: Primary data)

Degree of Freedom: 12

The table value at 5% level is 21.026C Calculated Value: c2 Value: 23.32

The Table 3 indicates that calculated value 23.32 is greater than the table value 21.026. So the null hypothesis is rejected. Therefore, there was a significant relationship between the respondents' occupation and their view on internet advertisements.

HO **:**　　There is no significant relationship between respondent's age and their level of satisfaction towards internet purchasing.

H1 **:**　　There is significant relationship between respondents' age and their level of satisfaction towards internet purchasing.

Table : 4 Relationship between respondents' age and their level of satisfaction towards internet purchasing

| Age | Level of Satisfaction towards Internet Purchasing | | | | | Total |
	Highly satisfied	Satisfied	Neutral	Dissatisfied	Highly dissatisfied	
Under 30	7	36	42	12	4	101
30-40	2	5	11	3	2	23
40-58	1	11	9	0	1	22
Above 58	0	0	2	1	1	4
Total	**10**	**52**	**64**	**16**	**8**	**150**

Degree of freedom: 12, The table value at 5% level is 21.026 Calculated value: c2 Value: 11.97

Table 4 indicates that, the calculated value 11.97 is lesser than the table value 21.026 .So accept the null hypothesis. Therefore, there was no significant relationship between respondents' age and their level of satisfaction towards internet purchasing.

HO **:**　　There is no significant relationship between respondents' income level and their level of satisfaction towards internet purchases.

H1 **:**　　There is significant relationship between respondents income level and their level of satisfaction towards internet purchases.

Table: 5 Relationship   between respondents' income level and their level of satisfaction towards internet purchases

| Income level | Internet purchases | | | | | Total |
	Highly Satisfied	Satisfied	Neutral	Dissatisfied	Highly dissatisfied	
Below 8000	4	6	0	3	1	14
8000-15000	4	13	10	2	2	31
15000-25000	3	6	6	3	4	22
Above 25000	2	7	10	1	1	21
Dependent and student	10	28	15	8	1	62
Total	**23**	**60**	**41**	**17**	**9**	**150**

Degree of freedom: 16

The table value at 5% level is 26.296 Calculated value : c2 Value: 21.78

Table 5 indicates that, the calculated value 21.78 is lesser than the table value 26.296. So accept the null hypothesis. Therefore, it is concluded that there was no significant relationship between respondents' income level and their level of satisfaction towards internet purchases**.**

Table : 6 Consumers' opinion towards internet advertisement & purchase

Statements	Yes	No	Total
Internet advertising increases the standard of living	83	67	150
	(55.00)	(45.00)	(100.00)
Click internet advertisement windows to close it	82	68	150
	(55.00)	(45.00)	(100.00)
Convince to take purchase order	111	39	150
	(74.00)	(26.00)	(100.00)
Security of payment of the product	93	57	150
	(62.00)	(38.00)	(100.00)
Purchasing commodities through internet is cheaper than direct purchase	74	76	150
	(49.00)	(51.00)	(100.00)
Whether the respondents feeling comfortable purchasing through internet	95	55	150
	(63.00)	(37.00)	(100.00)
Internet purchase saves time	109	41	150
	(73.00)	(27.00)	(100.00)

Table : 7 Level of satisfaction towards internet advertisement & purchase

Statements	HS	S	N	DS	HDS	Total (FX)	Likert's value
Satisfaction towards internet purchase	23	60	41	17	9	150	
	(15.00	(40.00	(27.00	(11.00	(06.00	(100.0	
	115)	240)	123)	34)	9)	5210)	5.21
Services provided by the internet purchase	14	53	55	18	10	150	
	(9.00)	(35.00	(37.00	(12.00	(07.00	(100.0	
	70	212)	165)	3)	10)	4930)	4.93
Overall experience with internet purchase	29	71	20	20	10	150	
	(19.00	(47.00	(13.00	(13.00	(07.00	(100.0	
	116)	284)	60)	40)	10)		5.10
Opinion towards quality of internet advertise	22	36	55	26	11	150	5100)
	(15.00	(24.00	(37.00	(17.00	(07.00	(100.0	
	110)	144)	165)	52)	11)	4820)	4.82

Table : 8 Internet users view towards internet advertisement and purchase

Statements	SA	A	N	DA	SDA	Total
Click on the internet advertisement to get more information	16	44	51	19	20	150
	(10.00)	(29.00)	(34.00)	(13.00)	(13.00)	(100.00)
Internet advertisement content is trust worthy	15	19	39	28	28	150
	(10.00)	(27.00)	(26.00)	(19.00)	(19.00)	(100.00)

Internet purchasing meets all the requirements	19	36	54	26	15	150
	(13.00)	(24.00)	(36.00)	(17.00)	(10.00)	(100.00)

Table 6 indicates the overall opinion of the users about internet advertisement and online purchase. They say that it increases standard of living and convinces to place purchase order. Also it is cheaper than direct purchase and the online money transactions are safe and it makes them feel very comfortable (while purchase) and finally it saves time.

Table 7 indicates that, as all the Likert's value is more than the mid value (3), there is a positive opinion of internet users' towards internet advertisement and purchase. From 150 respondents, majority are satisfied with internet purchase and services offered. Overall, the users had better experience with online shopping. But with regard to overall view about quality of advertisement they are in neutral.

Table 8 indicates that, majority of the internet users neither click on the advertisement to get more information nor close it. They also neither agree nor disagree towards trustworthiness in content of internet advertisement and in fulfilling all the online purchasing requirements.

Suggestions

The customers are expecting the product with high returns, safety, security, and tax free benefits that could be given to them. Proper information about the day to day updating and improvisation of the product can be provided to the customers ,will help them to satisfy their needs and increase their standard of living. Frequent innovative advertisement about the product and services in internet may convince the customers to make purchase order. Various innovative measures and creating brand image can be taken to inspire the customers and to earn their loyalty and trust. The internet advertisement provider could target all age groups and classes of the society. The internet purchases could be able to meet all the requirements of the customers so that they could frequently purchase their products for their daily use. The customers could be given guarantee or assurance for the online payment which they make through internet while purchasing the product online. The information given about the product in internet could be in simple terms so that the customers could understand as there are no sales executives.

Conclusion

Since the Internet and World Wide Web (WWW) have been developing rapidly in the last decade, the growth of internet advertisements has also being increasing along with the growth of Internet. On the basis of study, the researcher found that the internet advertisements have a significant effect in creating awareness among consumers, but it does not have any significant effect on their purchase decision making. The users feel that internet advertisements are very reliable and have the relevance for consumers in generating awareness and providing right information about the products and services. Success of internet advertising requires sound strategy, management understanding, commitment and integration of Internet with company's overall internet advertisement strategy. At this point, it is very hard to predict the future of internet advertising because this industry is too young to allow analysts to reach any concrete conclusion. Therefore the research reveals that with the booming technology the internet act as the major player for the development of internet purchases. But there are many customers who do not possess trust in internet purchases. The marketers should analyse this and try to find solution to gain customers trust.

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THE RAPPORT BETWEEN THE FIVE SENSES AND BUILDING BRAND IDENTITY AND AWARENESS - A SPECULATIVE STUDY

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Abstract

Advertising and branding was largely done through visual expression for many years. Companies that were able to manage eye catchy visuals had performed very well as they were able to differentiate their brand from their competition. However marketers have now understood that the future of branding is no longer restricted to an eye-catchy visual and it has become the most creative way to harness all the senses. The purpose of this research paper is to reveal data that have emerged from an extensive study into the relationship between the five senses and brands. The paper uses case studies from global brands to illustrate the effectiveness of messages that incorporate as many senses as possible. In the consumer market of today, with ever increasing products and services it is required that the marketers differentiate their product clearly and create a lasting impression in the minds of the consumer. By taking advantage of the sensory organs such as Nose -Smell, Ears – Sound, Eyes-Sight, Touch - Feel and Mouth -Taste the marketers are driving preference for their brands. It has become necessary for marketers to focus not only on the visual and hearing aspects of advertising, but develop a wholesome experience for the consumer and strengthen the identity and image of the brand. The solution to this lies in sensory branding. A Multi-sensory brand experience generates certain opinions, thoughts, beliefs and feelings, which help to create a brand image in the consumer's mind that is distinct and long lasting. A recent McKinsey report (on the US Market) says that the effect of TV commercials on influencing consumer choices is likely to fall by around 40 % over the coming years. This requires the development of innovative promotional strategies which influence and differentiate the product from others. Sensory branding thus focuses on the stimulation of different senses in order to form an emotional connection with the customer base of the brand. It helps in differentiating the product or service not only on the basis of quality and price but also on its unique set of functional and emotional benefits that it sets to provide.

KEY WORDS: Five Senses, Multi-sensory brand, Long Lasting impression.

Introduction

Sensory branding is a type of marketing that appeal to all the senses in relation to the brand. It uses the senses to relate with customers on an emotional level. Brands can forge emotional associations in the customers' minds by appealing to their senses. A multi-sensory brand experience generates certain beliefs, feelings, thoughts and opinions to create a brand image in the consumer's mind. It is used to relate to the customer in a more personal way than mass marketing. It is a technique that does what traditional forms of advertising cannot. It is used in retail design, magazines, showrooms, trade-fair booths, service centres, and corporate headquarters. A multi-sensory experience occurs when the customer is appealed to by two or more senses.

> **"Sensory branding is most effective when all the senses are engaged. Also, the more senses engaged, the more customers will pay for the product."**

Marketers mostly appeal to sight and sound. 99% of all brand communication focuses on sight and sound. However in many instances, sound and smell are more effective than sight when branding a product or organisation. Also, visual images are more distinctive when matched with a second sense.

The main use for sensory branding is to appeal to the consumer's senses. It is also used to understand the emotions and experiences of the consumer when being drawn to, purchasing or using the product penetrate and dominate market share, increase profitability and to ensure initial and repeat purchases. Sensory branding

is used to create an atmosphere that encourages the customer to pay money and can be influenced by sight, noise, touch, taste and smell.

"So the brand is actually just a memory"

Sensory branding is an emerging business discipline that applies analytical techniques to amalgamate the use of sensory stimuli such as Smell, sound and texture in order to develop strong brands that are more memorable for customers than conventional visual branding techniques alone. Sensory branding is now facilitated by proven and practical analytical methods. Techniques such as Customer Experience Mapping that

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assists in identifying and prioritizing where, when and how sensory interactions can be coordinated across many touch points to develop a "concerto" of experiences that will help build consumer preference and work to distinguish a brand amongst its competitors.

Relationship with Five Senses

Sight, Hearing, Touch, Smell and Taste can be used in different ways to make an impression on the consumer. The best use of sensory branding has been exhibited by 'Singapore Airlines'. Its in-flight experience and service appeals to all the senses. The fragrance, music and the manner of the flight attendants creates a memorable experience for the customers. The online shopping of clothes has been unsuccessful because buyers cannot touch and feel the product which is necessary for them while purchasing clothes. Savlon was unsuccessful in capturing the market against Dettol because people associated the sting on application and peculiar smell of Dettol with efficiency of an antiseptic.

Sensory branding aims at enhancing the experience of the consumers related to the brand in the real world. It tries to increase the brand recall and retain the brand image by including as many sensory cues as possible while marketing and product development. The signature tune of Airtel makes the people recognize it even in the absence of the logo.

New products are being launched and occupying shelf space on a regular basis. Thus, various innovations are being done in the products and their advertising. Kohinoor launched a new range of rice and packaged it in bright colored packs to differentiate them from other brands occupying shelf in a retail store. The fragrance used and the music played in a retail store are chosen to make the customer stay for longer periods of time in the store. Various unplanned purchases by the shopper depend on the experience of the product, its smell, touch, feel, sight and sound.

Brands understand the need of sensory marketing and implement it to trigger the desired perceptions in the target audience. Kellogg's has patented a crunchy sound thus inducing the feel of eating cornflakes. Various tea brands have used smell to assure the users of the purity and authenticity of their product. Britannia is using a crunching sound in its advertisements to convey the freshness of the rusk.

(Fig : 1)

Sensory branding successfully achieves its motive of influencing the customers' choices in relation to a brand. Only 3% of top 1000 fortune companies have used smell to appeal to the customers, although smell is responsible for generating 75% of our emotions. With ever increasing competition and plethora of information

Fig : 1
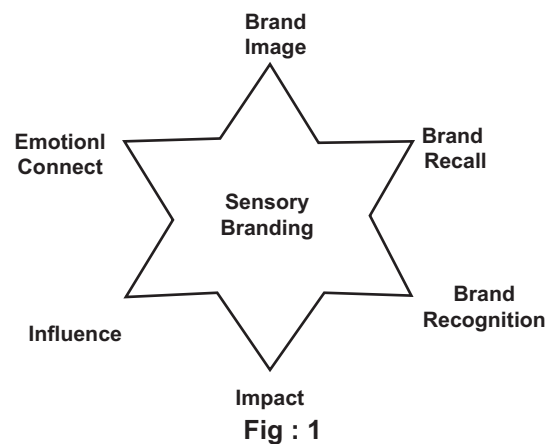
available to the consumers, it is important to differentiate the product from other brands and create the desired impact on consumers. Sensory branding can be useful in this scenario to create a complete experience of the product or service in the real world and act as a useful tool to promote the brand effectively.

List of Senses

Visual

Sight is the most used sense for marketing because it is the one most responsive to the environment According to fashion retailer Gina Tricot, 'the eyes buy 70 or 80 percent of what people buy.' Sight is how the customer knows the product offering, quality, changes, store layout, materials, lights and colours. Shapes and colour are the first aspects of a brand that is noticed by the customer.

E.g. The best example to signify this is Hutch, the orange colour and also the pug campaign leave a strong impression in the minds of the people that every time when the pug campaign is on the air the audience will automatically understand that its hutch. Many other brands try to leverage the popularity of the Pug but didn't succeed.

Sound

Sound is used in branding to evoke emotions and feelings to influence brand experiences and interpretations Sound when matched with a message is a powerful way to make the customer remember it. Background music is an effective way to influence customer behavior at the point of purchase. If used properly, music can create a mood for the consumer that encourages them to buy. For Example playing rock and roll music in a guitar store. **What They Hear:** This is the second most favorite senses targeted by the marketers.

E.g . The brands that have used sound well are; Intel, Microsoft and Kellogg's (Lindstrom, 2005) and Indian

brands successful in creating signature tunes are Britannia (Tin Tin Ti Tin) and Kingfisher (Ho la la la).

Smell

Smell is used in branding because it increases the customers' remembrance of the brand. Smell is the sense most linked to our emotional recollection. It can create instant connections between a brand and other memories. Neuromarketing studies show that 75% of emotions are triggered by smell. Smell is linked to pleasure and wellbeing, emotion and memory. Therefore it can influence customers' emotional state and mood to make the customers more susceptible to impact customer behavior. Restaurants sometimes send artificial smells into the areas around the venue to increase awareness of their product.

Research by the Sense of Smell Institute indicates that while people's visual recall of images sinks to approximately 50% after only three months, they recall smells with 65% accuracy after an entire year. Similarly, a study carried out at the Rockefeller University shows that in the short term we remember just 1% of what we touch, 2% of what we hear, 5% of what we see, 15% of what we taste and 35% of what we smell.

For Eg. Air fresheners were placed inside the newly introduced air-conditioned Volvo buses in Mumbai, which would automatically spray the fragrance at intervals of 10 minutes, thereby refreshing the entire bus and creating a 'Tension free environment'It has been launched in five fragrances - Rose, Sandalwood, Jasmine, Lavender and Lemon. (Sayal, 2010).

Taste

Taste fuses all the different senses together to create a holistic brand experience. Therefore name, presentation, environment, smell, sound and texture must all be considered when branding with taste. Taste is linked to emotional states, and so it can alter mood and brand perception.**What They Taste:** Taste helps a lot particularly in the food industry to leave a mark of its brand name. I mean if u tastes McDonald's burger either in Delhi or Mumbai or Kolkata or Chennai or Coimbatore, they all taste the same and their unique taste helps in establishing the foothold in the minds of the people.

E.g. Lays had changed its focus from brand campaigns to 'Fight for your Flavour' campaign in 2008, followed by the 'Give Us Your Dillicious Flavour' campaign in 2009. The company had launched six flavours for Cricket world cup — Australia's Herb 'n' Lime, South Africa's Peri Peri Sauce, Sri Lanka's Sweet Onion Sauce, England's Grilled Cheese, West Indies' Hot & Sweet Chilli and New India's Magic Masala. The campaigns were very successful examples of gustatory branding.

Touch

Touch strengthens brand identity and image by appealing to this sense. Touch considers physical and psychological interaction between the customer and the product. Touch is a way to control the 'unconscious of the consumers, their perceptions, feelings and tastes. Touch can be manipulated through materials, weight, softness, and comfort of the product. **What They Touch,** Feel of a product is the major drive of its sale. In an Apparel industry drives on this fact. Still many people don't shop online and the major reason for the fact is that they cann't feel the product or I would say touch the product. For a product to survive we have to touch it to have a feel of what the product is all about. We all remember our parents touching the stuff of cloth before buying it. Whenever we buy anything we like to take in the hand.

E.g.: Amazon gains popularity in the online shopping when no one shops online because it caters to the books only, which requires no feel as such. (Grobstein, 2009) suggests that the world is experienced through five senses. Yet it is recalled as a single unified experience. Each sense plays its own role in optimising this experience. Sensory stimuli lead to different emotions and emotions affect purchasing behaviour.

Review of Literature

Sensory Branding has attracted tremendous attention from both academicians and practitioners. To understand how sensory branding works, researchers have built models such as corporate sensory identity model (Bartholme & Melewar, 2009), sensory experience model (Hulten, Broweus, & Dijk, 2009), holistic selling proposition theory (Lindstrom, 2005) wherein brands are not only grounded in tradition but also assume multi-sensory characteristics just like a religion and (Lindstrom, 2005) has also given ten rules that religion is based on and which should also serve as the model for branding. Biological model pertaining to our five senses is also of great importance to understand the concept of sensory integration in a holistic manner.

Sensory branding involves branding products or services by involving all five senses. It helps develop a relationship with the brand, stimulates an emotional bond that in turn optimizes brand loyalty (Gobe, 2001). Brands have started using sensory branding techniques to captivate consumer senses. For brands struggling to compete in today's crowded marketplace, strategic use of sensory information i.e. how sense work can provide a critical benefit. According to (Lyons-Tarr, 2009) when a particular brand appeals to different senses, the efforts are multiplied, creating huge impact with long-lasting consumer connections. First sense is sight. It is the most dominant and seductive sense. It creates a strong

and immediate impact and it has been excessively used. Also, there is a lot of clutter which makes it comparatively less effective in the present scenario. Brands that have done exceptional visual branding are: Coca Cola, McDonald's, Disney, Vodafone, Benetton, Diesel, Tommy Hilfiger, Ferrari and Body Shop (Lindstrom, 2005). (Balmer, 1995) has identified four key purposes of visual dimension, namely, communicating the mission and beliefs of a brand, providing visualisation of the cultural values, supporting consistent communication activities and finally ensuring an up-to-date visual appearance of the brand. (Treasure, 2000, Jackson, 2003). Music has great influence on how consumers think and feel. Good music is able to shape attitudes towards the advertisement and make a strong impression on the audience. Some other brands that have used sound well are; Intel, Microsoft and Kellogg's (Lindstrom, 2005). According to (Ramachandran, 2010) emphasized the role of sounds in an individual's thoughts. "Every other sensory system must send a signal to the thalamus and ask permission to connect to the rest of the brain, smell signals bypass the thalamus." (Lindstrom, 2005). However implementing olfactory branding (using sense of smell to create brand identity) requires ascertaining many critical factors about the brand and target consumers for a strategic fit (Bell, 2007). This area has been topic of number of research, mainly in consumer behavior context. Scent can be differentiated along three dimensions, namely affective quality (how pleasant it is), its arousing nature and its intensity (Mattila and Wirtz, 2001). If a brand can include taste to its brand identity, it can create a much stronger and memorable brand experience (Lindstrom, 2005) .when one enjoys the taste of something delicious by portraying a complete engagement of the senses. (Joshi, 2010). (Grobstein, 2009) suggests that the world is experienced through five senses. Yet it is recalled as a single unified experience. Each sense plays its own role in optimising this experience. Sensory stimuli lead to different emotions and emotions affect purchasing behaviour. Now that a fair understanding of the five senses has been developed, it will be interesting to look at other relevant details about multisensory strategies.

One of the main advantages of the multisensory strategies is cost. It is affordable to develop sensory strategies because taking care of things that already exist or should exist (colour, form, smell, and sound) requires one time investment. Multi sensory strategy can be part of product design or brand communication. Complete benefits of incorporating sensory branding elements cannot be fully achieved without copyrighting a particular texture, fragrance, design etc. (Baird, 2009). It is also significant to mention here that sensory strategies are very risky to implement and a little mistake in applying it could produce completely opposite results in consumer's attitude.

Objectives of the Study

The Objective of the research is

- To analyse the relationship between the five senses and Building Brand identity and Awareness.
- To discover the how the Consumer perceives about Sensory Branding.
- To evaluate how the sensory Branding influence the final purchase decision.

Research Methodology

Selection of research method is vital for any kind research. It is a technique for collecting and analyzing the empirical data. There are two types of research method. These are qualitative and quantitative. Quantitative method is focused on numeric data. The ultimate goal of this method is to classify feature, count them and explain things which are observed during research in statistical model. This type of approach involves some tools for data collection such as questionnaires. The objective of quantitative method is to seek measurements and analysis of target concepts by using data collection instruments. This type of approach is also useful in measuring customer attitudes, satisfaction, and commitment and for some other market data (Gorard, 2001).So, According to the purpose of my study and research question, quantitative method is appropriate.

Primary data is a source which is collected by researcher for a particular research to find out the answer of research question. There are many tools available for collecting empirical data but it depends upon research question and purpose of study. These are interview, observation, survey, experiment and questionnaire (Emory & Cooper, 1991). For this research I used questionnaires and survey method for collecting primary data.

Sensory Branding And Cosumer Perception

Marketers create brands so as to position the products in the minds of the target audience. Positioning is the art of creating a perception of the brand in the minds of the consumers so as to influence their purchase decision and perception is turn in psychology means recognition and interpretation of sensory stimuli based chiefly on memory. Hence in order to position the products in the minds of the consumers more effectively, marketers must efficiently target the sensory stimuli of the consumers.

(Fig : 2)

According to the research conducted, as per graph1 we can understand that 83% of our perception is formulated from what we see, followed by 11% is formed from what we hear, 3.5% from what we smell, 1.5% from what we fell and 1% from what we taste.
(Fig : 3)

Perception Share of our 5 Senses
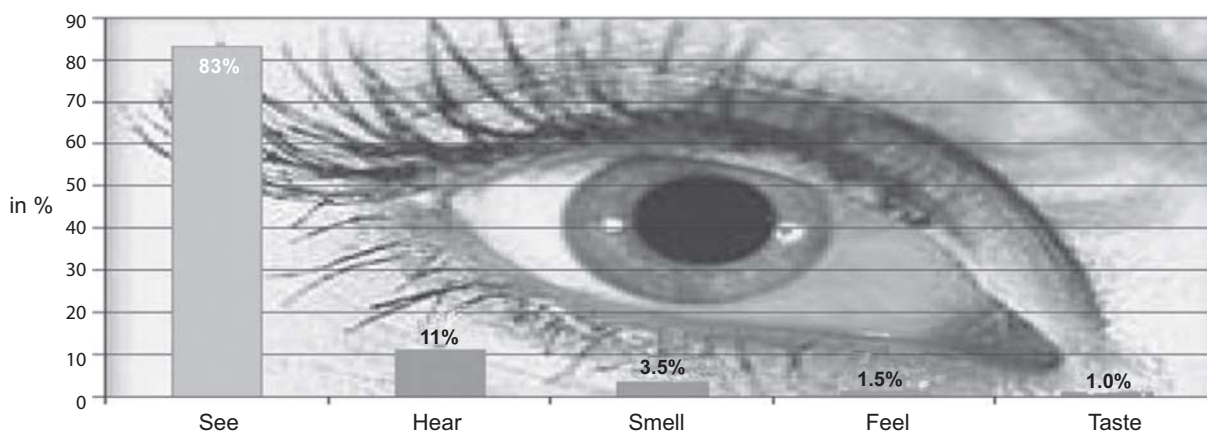
Fig : 2

Sensory Branding Influences the Final Purchase Decision

Perception Importance --- When making a Purchase Decision
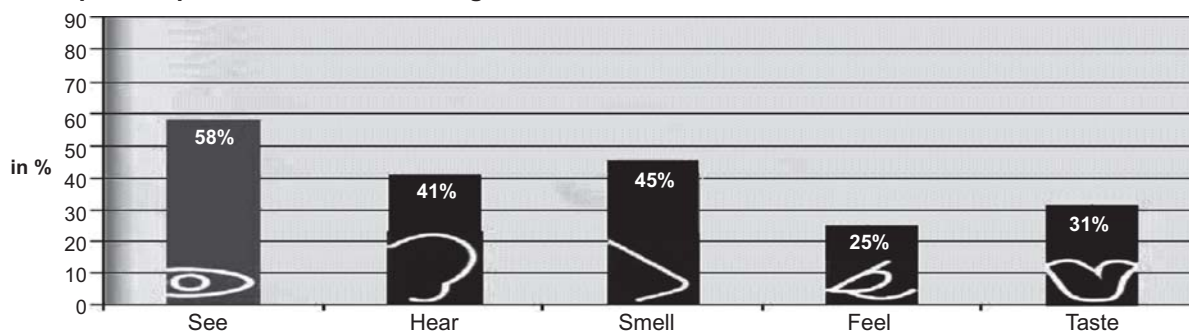
Fig : 3

But from graph 2 we conclude that while making the final purchase decision there is marginal difference in the importance of perception made by each sensory organ as stated. Importance made by sight while making the final purchase decision is 58%, smell is 45%, sound is 41%, taste is 31% and feel is 25%.

Hence in order to convert the potential customer, targeting the sensory organs sight is not sufficient as while making the final purchase decision all the sensory organs play a vital role and there is very trivial difference in the importance of perception impacting the purchase decision by each sensory organ. Thus in today's time sensory branding has become the need of the time in order to boost sales and create a discrete and memorable brand.

(Table 7.1)

we can analyze that, different product categories are influenced by different sensory organs for making the final purchase decision , for instance in case of soft drinks, ice creams and fast food products the perception created by taste plays a more vital role followed by smell than that from sound and touch. Similarly in case of home entertainment and

automobiles, perception formulated by sight, sound and feel is far more significant while making the final purchase decision than what is perceived by the taste and smell of the Product. Hence marketers before establishing the sensory identity for their brands must analyze the product category to which their brand belongs to i.e. which sensory organ is most likely to be influenced in the final purchase decision of the consumer.

Sensory Branding In Action

Coca-Cola is a very **visual** brand. Wherever there's Coke, there's red and white. Coca- Cola takes its colors extremely seriously. Before the 1950s, Santa Claus was green. Coca- Cola changed that by having Santa wear red and white in its ads. The impact was enormous: In every shopping mall in the country, Santa now sports the Coke colors at Christmas time, sending a subtle signal to millions.

The second dimension that is heavily leveraged in today's brand-building process is the use of audio, or **sound.** Intel stands out as the company with the clearest, most distinct, consistent, and memorable use of sound. The "Intel Inside" jingle has been around since 1998, making the invisible visible. Since you can't see the chip the

Table : 1 Perception Importance in Different Categories

Products	Visual in %	Visual in %	Sound in %	Smell in %	Taste in %	Touch in %
Sports Wear	86	86	10	82	8	12
Home Entertainment	85	85	81	11	10	10
Automobiles	78	78	43	49	10	18
Telephones	68	68	70	43	8	8
Soap	36	36	6	61	5	90
Ice-cream	34	34	6	61	5	90
Soft drinks	29	29	13	15	86	56
Fast Food	26	26	12	10	82	69

ads refer to, clever advertisers substituted the short, distinct sound used throughout all of Intel's advertising and brand- building campaigns. Research shows that more consumers remember the Intel tune than the company's logo.

The sense of smell is one of the most powerful senses because it is the only one we can't turn off. And yet, fewer than 3 percent of Fortune 1000 companies have even given a thought to establishing a unique aroma for their brands. When Rolls-Royce buyers began complaining in the mid-1990s that the new cars didn't live up to their predecessors, researchers tracked the problem to its source: the smell! Using a 1965 Silver Cloud as a reference point, the company deconstructed the scent, identifying 800 separate elements. It then recalibrated the aroma of leather and mahogany and now sprays it under the seats to re-create the scent of a classic "Roller."

Brands that can incorporate taste can build a very strong brand platform. Colgate is a company that stands out in the realm of taste. The flavor of its toothpaste is patented. Yet even Colgate could improve by extending its branded taste to toothbrushes, dental floss, and so on.

Texture, Shapes, temperature and other senses of touch offer powerful possibilities to create a bond with your consumers. . Consider the classic, contoured Coca-Cola bottle. The bottle was designed approximately 90 years ago to satisfy the request of an American bottler for a soft-drink container that could be identified by touch even in the dark. The Coke bottle was not encumbered with a lot of text, and the color scheme was universal. The tactile encounter with the bottle conveyed a sense of pleasure across multiple cultures though the associations the bottle evoked (e.g., hoop skirt, cocoa bean) no doubt differed from culture to culture.

Delighting Customers through Sensory Branding

The Westin hotel chain is well down the sensory branding path with its Sensory Welcome program now being rolled out across all of its hotels worldwide. The program is used to create a relaxed mood in the hotels' public spaces, blending carefully modulated sound—a customized soundtrack—with infused scent and the appropriate visual notes in its interior design. Indeed, the company's White Tea fragrance has hit such an emotional chord with guests that it is now being sold separately as a line of products by the hospitality provider. Westin has already struck the right note in terms of tactile branding: Its Heavenly Bed and Heavenly Bath products are sold through the company's in-room catalogue, its branded website, and through Nordstrom department stores.

Singapore Airlines is perhaps the best example of sensory branding in action. Fly first class on the airline and you'll have a first-hand opportunity to experience its use of scent, visuals, sound, touch, and taste working in concert. The airline's print ads and posters will have prepared you for the visual elements—in particular the batik sarongs of the flight attendants. Entering the cabin, it will be hard to miss one of the carrier's signature aromas: the flight attendants' perfume. En route, you'll catch the scent of the hotel towels handed out after a meal of Singapore chicken rice whose flavor is also designed to mark out the distinctiveness of the airline. Later, you are likely to appreciate the feel of the feather comforter as you recline your seat to catch up on some sleep..

Conclusion:

This chapter is discussed about the conclusion that I have drawn from the finding and analysis of my study. Researchers have delved into the factors on how senses can be harnessed to create brand identity. But only a few studies have actually looked into how brands can derive learning's from religious places. Considering the importance of creating brand identity through the five senses, it is important to understand how religion has incorporated and harnessed all five senses. Sensory branding is an emerging business discipline that applies analytical techniques to combine the use of sensory stimuli such as taste, smell, sound, sight and texture in order to develop strong brands that are more memorable for consumer than conventional audio-visual branding techniques alone. The research was conducted to get an idea about the impact of sensory aspects on consumers for building brand identity and brand awareness. Through the study we have found that in perspective of building brand identity, taste, visual and tactile aspects have strong impact on consumer. That means consumers are able to identify the brand based on those aspects. On the other hand, smell and auditory aspects have less impact on building brand identity of consumer. In perspective of building brand awareness to the consumer, visual and tactile aspects have strong impact for building brand awareness to the consumer. That means consumers can recognize and recall based on visual and tactile aspects. On the other hand, taste aspect has moderate impact, smell and auditory aspects of have less impact on building brand awareness of consumer. So, the use of sensory branding is predicted to be the future of strategic branding because of its impact for building brand identity and brand awareness on consumer is enormous.

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"A STUDY ON CONSUMER PREFERENCE TOWARDS FOUR WHEELERS WITH PARTICULAR REFERENCE TO MARUTHI BRAND IN COIMBATORE CITY."

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Abstract

Motor-Car is one of the commonly used conveyances by the upper and middle class people. Before two decades only a few industrial and rich people owned cars. But after the industrialization earning capacity among the middle class people have increased. A lot of car manufacturing companies have come in to cater to the needs of the people. Among the various brands available in the market, Marathi seems to be preferred for its convenience and therefore felt necessary for our study. The consumers preference for the particular brand depends not only the internal factors of the company, but also on external factors such as, quality, price, appearance, after sales services mileage and maintenance cost etc. Among the various brands available in the market, Marathi seems to be preferred for its convenience and therefore felt necessary for our study.

Introduction

Now a day's motorcar is not only bought for social status, but becomes a necessity one. As the population size is in the increasing trend, the government & private sectors are not able to provide adequate conveyance for all the passengers, especially the office going and for business people. Since the working class person has to reach office within the stipulated time, conveyance seems to be an essential factor. Financial companies are also providing financial facilities for the purchase of motor-car. The Indian market is emerging as dynamic & competitive arenas were "**The only thing permanent is change**".

Though there are many car manufacturing companies only a few are able to stand in the market and earn a profit. And mostly the companies are not able to face the competition to remain in the market.

So, the researcher has developed an interest to study the reasons behind in preferring some brands and also a very few research studies in passenger car segment are available. My sincere aspirations to know the back ground of the passenger car industry in India and also which brand is dominated by the society in Coimbatore city is studied.

The Indian passenger car industry showed low growth with very few players till the early 1980s. Consequently lack of domestic competition next that there were few changes made to the design of the existing car. The mid-1980's, saw a revolution in the passenger car market, when the government decided to issue licenses to all automobile manufacturer's to produce allied vehicles as well.

Objectives of The Study

The study made with the following objectives:

1. To study the general awareness of the consumers on passenger-car segment.
2. To find out, whether the particular brand dominates the society (or) not.
3. To find out the consumer opinion about the future brand.
4. To ascertain the factors that influences the consumer in preferring the particular brand.
5. To study the source of information by which the consumer have brought the motor-car.
6. To offer suggestions based on the findings of the study.

Methodology

Area of the Study

The study has been conducted in "Coimbatore city" in the state of Tamilnadu.

Period of Study

The study was conducted from October to April 2013.

Sample Size

A random sample of 200 respondents has been selected.

Source of Data

This study is based on primary data only. The primary data are calculated through interview schedule.

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Hypotheses

The following hypotheses have been framed:

1. There is no significant relationship between monthly income & brand preference of the respondent.

2. There is no association between numbers of family members over brand preference of the consumer.

3. There is no significant relationship between brands with all personal factors the respondents over reasons for purchasing various brands.

4. There is no association between brand (with all personal factors) of the respondent and mileage per litre of the vehicle.

5. Brand preference (with all personal factors) and factors influencing purchase are independent.

6. Brand preference (With all personal factors) of the consumer & source of information are independent.

7. There is no significant association between brand preference (with all personal factors) and brand considers in the future.

8. There is no significant relation between brand preference (with all personal factors) and brand considers in the future.

9. Brand preference (with all personal factors) and number of km Traveled per day are independent.

10. Brand preference (with all personal factors) and maintenance cost for vehicle are independent.

Tools for Analysis

The following statistical tools were used,

1. Descriptive analysis,

2. Comparative analysis,

3. Chi-square (%2) analysis.

Limitations of the study

1. It is a general study on passenger car.

2. As the study is based on interview schedule the result would be varying according to the opinion of the respondents.

3. The samples drawn are confined to the particular area.

Review of Literature

The study, which can be, considered as the basic literature available in regards to the automobile industry in India. The association of Indian automobile manufactures published: the automobile industry in India 1965" which provides on insights into the production of automobile industry in India. The publication focuses attention on different aspects of automobile industry. And also present a review of the manufacturers of automobile ancillaries.

LAIRD.E Examines In his study "self concept, ideal self concept and consumer purchase intentions" classified the relative importance of self and ideal self-image to the purchase intention of consumers. He concludes that self-image and ideal self-image tend to be positively correlated in overall subjects. The purchase intention of some products tend to be more correlated with self image then with ideal self-image, whereas in some other products the purchase intention tends to be more correlated with ideal self image.

PHILIP KOTLAR[1] Principles of marketing "Record share and auto sale". Customer view of the brand is superior styling, reliability and durability. Fair prices and better assemble good trade in value and relatively few problems. In a word the issue is quality. Many customers are firmly convinced that (better quality) vehicles are better all around then domestic automobiles **(Table : 1)**.

Analysis and Interpretations

Table : 1 Purpose of the car

Purpose of the car	Frequency	Percentage %
Social status	10	4
Business	116	51
Comfort	10	4
Office going	60	26
School/College	24	11
Others	8	4
Total	228	100

Out of the total respondents, few have stated more than one purpose of their brand. We inferred from the above table, out of 200 samples 51% of them had their brand for the purpose of business and 26% of them for office going and 11% of them for j school/ college purpose and 4% and 4% of the respondents use their car for social status, I comfort and other responding factors.

As per our table most of the respondent using their brand for business purpose.

(Table : 2)

Table : 2 The factor that influenced to purchase the car

Price	Frequency	Percentage %
Price	50	25
Appearance	22	11
Colour	Nil	Nil
Quality	128	64
Others	Nil	Nil
Total	200	100

Out of total respondents few have stated more than one factor as influencing for their purchase. As such we inferred from the above table, majority 64% of the respondent bought their brand on the basis of quality. So quality occupies first place, then second place is price of the product ,25% of the respondent bought their brand on the basis of the product ,11% of the respondent bought their car on the basis of appearance of the car and none of them had purchased their car on the basis of color and other responding factor. It is clear that, quality is the major influencing factor for purchasing various cars, which is observed from the table.

Table : 3 The opinion about after sale service facility by the respondents.

Opinion	Frequency	Percentage %
Yes	182	91
No	18	9
Total	200	100

The above table portrays the over all after sale facility from their service centre is also seen. 91% (182) of the respondents getting the after sale service from their distributors: remaining 9% (18) of the respondents are not getting after sale service.

Table : 4 Tha maintenance cost incurred per month by the respondents.

Maintenance cost	Frequency	Percentage %
Upto Rs 1,500	68	34
Rs 1,500 to 2,000	64	32
Rs 2,000 to 2,500	60	30
Above 2,500	8	4
Total	200	100

Out of 200 samples, 34% (68) of the respondents have their maintenance coat upto 1,500 per month , and 32% (64) of them have their cost from Rs 1,500 to 2,000 pr month and 30% (60) of the respondents cost from 2,000 to 2,500 per month and only 4% (8) of the respondents have their costs above 2,500 per month.

Chi-Square with Comparative Analysis

Table : 5 Brands and Mileage per Liter

Brand / Mileage	Maruthi	Hyundai	Ambassador	Indica	Others	Total
8-12	1	-	3	-	-	3
13-18	38	20	4	8	12	82
18-20	42	20	9	8	5	84
Above 20	2	9	-	-	19	30
Total	82	50	16	16	36	200

Null hypothesis - Ho

There is no association between the attributes mileage and brand preference of car. The calculated value is 85.014 is greater than the table Chi-Square value 21.0261 at 12 % degrees of freedom at 5% level if significance the null hypothesis is rejected. Ho is rejected. Hence, the preference of car associates with the mileage.

Table : 6 Brands and Influencing Factor

Brand / Influencing factor	Maruthi	Hyundai	Ambassador	Indica	Others	Total
Price	12	10	6	6	16	50
Appearance/color	2	4	2	4	10	22
Quality	68	36	8	6	10	128
Total	82	50	16	16	36	200

Null hypothesis - Ho

There is no significant difference between the samples, influencing factor and brand preference of car. The calculated Chi-Square value is 44.675 is greater than the table chi- square value21.0261 at 12 degree of freedom at 5% level of significance the Ho is rejected

Table : 7 Brands and Maintenance cost per month

Brand / Maintenance per month	Maruthi	Hyundai	Ambassador	Indica	Others	Total
Up to 1,50030	30	20	8	2	10	68
1,500 to 2,000	18	26	-	2	18	64
2,000 to 2,500	28	10	8	12	2	60
Above 2,500	2	-	-	-	6	8
Total	82	50	16	16	36	200

Null Hypothesis -HO

There is no association between the attributes maintenance cost per month and brand preference of car. The calculated value is 56.479 is greater than the table Chi-Square value 21.0261 at 12 degrees of freedom at 5% level of significance. Therefore the null hypothesis is rejected. Thus the preference of car associates the Maintenance cost per month.

Summary Of Findings, Suggestions And Conclusion

Findings

1. Majority of the respondents are using one car and it belongs to Maruti brand.
2. Majority of the respondents have utilized after sales service facility from their distributor and they opined that they are satisfied.
3. Majority of the respondents felt that the price of the car is reasonable.

The Following Findings Are Related To the Abstract of the Analysis

1. The occupation and number of family members has significant influence over the mileage per litre of Padmini car and also number of family members and number of cars owned has significant influence over the mileage per litre of Maruti Car.
2. Marital status and family size have significant influence over the brand considered before buying Maruti Car.
3. The occupational status, monthly income and number of car held have significant relationship over the maintenance cost of Maruti car.

Suggestions

As the majority of respondents preferred Maruti Car the manufacturing company should be very careful in making cars. Due to heavy competition, this trend might change

on any time and competition may take over the place. Therefore, Maruti Udyog Ltd., the modem of cars must have broad network regarding production sales and price etc., to covered more consumers besides retaining the old customers.

Conclusion

Marketing of automobile products is especially important like any other consumer products. Since, the cost involved is high and consumers are more particular about reliability and fuel efficiency, marketing process involve technical approach. Better quality design in fuel efficiency, after sales service is an important features that car-marketing companies have to concentrate. Lack of attention on these features will only provide dull market for their products and sustaining market environment will become totally pain full. At the same time price policy of the company also plays important role in the marketing of four wheelers. The new technology, varieties of models and design must necessarily match with price of car otherwise the particular car model will fail in the market. A periodical survey on market conditions will definitely help the manufacturers to go with market changes and it helps the company to drive to success in marketing their products.

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A REVIEW STUDY: IMPACT OF CAPITAL MARKET

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Abstract

 Capital market is a market for long term funds. It refers to all facilities and institutional arrangements for borrowings and lending of medium term and long-term fund . Capital market is the key driver of wealth creation and growth in many countries . The regulators financial institutions and most importantly the investors keep trade of the development in the global capital markets. In the capital market , according to the SEBI guidelines , financial institutions ,banks, custodian and stock brokers are eligible to function as depositories participants. The investors can open a demat account through any depositories participant for dematerialization of shares and transferring securities effectively eliminated the paper based certificate. The investor should carefully analyze the different kinds of interest rates available in the economy before make the investment . For the purpose of the study primary data only collected . Correlation only used for testing the hypothesis of this study.

Introduction

Capital market is a market for long term funds It refers to all facilities and institutional arrangements for borrowings and lending of medium term and long-term fund . Capital market is the key driver of wealth creation and growth in many countries . The regulators financial institutions and most importantly the investors keep trade of the development in the global capital markets . It is estimated that the growth of global financial stock is estimated to $200 trillion by 2010 . Due to the increasing depth in financial markets , both businessman and investors are enthusiastic to enter capital market and make profits.

Investors make no judgments whether rates will raise or fall . The investors is aware that he is faced by the risk on inflation and risk due to a change of interest rate . It is also surrounded by others risks like the risk of default in the event of non- payment of borrowers.

 An investors to be induced to make an investment should be offered a risk premium in the form of an interest rate.   The higher the risk ,the greater the interest rate offered .This is the reason that interest rates on government securities are lower than on industrial securities . Other factors like liquidity and marketability also affect the rate of interest.

Scope of the Study

In the capital market, according to the SEBI guidelines, financial institutions, banks, custodian and stock brokers are eligible to function as depositories participants. The investors can open a demat account through any depositories participant for dematerialization of shares and transferring securities effectively eliminated the paper based certificates.

The concept of interest in the industrial securities market.It also explains various terminologies of such as coupon rate , yield rate ,redemption rate, rate to maturity ,dividend yield, and gross yield .

The investor should carefully analyze the different kinds of interest rates available in the economy before make the investment.

Objectives of the Study

- To examine the investors investment planning
- To study the various types of interest rates
- To analyze the investors satisfaction in which type of interest rate they invest

Methodology for the Study

Only primary data have been collected for the study. Sequential arranged well-prepared questionnaire and personally contacted the respondent for gathering the data. The researcher has collected only from 100 investors .It is used to collect information which are associated with the capital market investment.

Statistical Techniques

Correlation test has been used for analysis

Limitations of the Study

The researcher only an attempt to study the interest rate of investors . It was limited only 100 investors .

Age classification of the investors

It is observed that 16 percent and 20 percent of the investor from the age group of below 25-35 years,28 percent of them from the age group of 35 - 45 , 12 percent of the from 45-55 , and 24 percent of them from the age group of above 55 years. This shows that the majority of the investors are in the age group of 35 –

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45 . This shows that the aged people are more conscious about their savings.

Educational qualification of the investors

The data observed that 12 % of the investors are below graduate, 42% of them completed their graduation ,10% of the investors are finished their post graduation and 26% percent of them completed professional degree ,10 % are others. It is observed that majority of the investors are complete graduation they have knowledge of the stock market **.**

Occupation of the investors

It is observed that 16 percent of the investors are professionals , 35 percent of the investors are in businessman , 24 percent of them are working in the private sector , 12 percent of them working in public sectors and 13 percent are others.

Investors' opinion regarding investment

The data have been collected from 100 respondents . Of which 41 are female and 59 are male. This shows that the male are very much interested in capital market than the females.

Income of their family

It is observed that majority of investors 34 percent earning below 10,000 , 28 percent investors are having 10,000 - 15,000 as their family income ,18 percent of them are getting up to 15,000 to 25,000. 20 percent of them having above 25,000 .

Savings of amount in capital market

It is observed that the amount of savings nearly 15 percent of their income. They are savings in shares , gold , deposits …etc.

Investment period in capital market

It shows the investment period that 28 percent of them start to invest in less than 2 years, 36 percent them about 2-5 years , 20 percent of them are having about 5-10 years and 16 percent is about more than 10 years. Majority of them are having savings in capital market between 2-5 years.

Sources of information to Investors (Media)

It is observed that the sources of information are gathered through brokers 24 percent , 16 percent of them got the information through agencies , 28 percent of them through advertisement of various companies , 6 percent and 20 percent of them through the friends and others .

Investment mode

It is observed that 30 percent investors select lump sum and remaining are choose systematic investment plan.

Mode of trading you select

It observed that 60 % of the investors are select the mode of trading through online, 15 % of them to select offline. 33 % to select other mode of trading. Investors are that easy one an online.

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Dealing of the shares

It is shows that 60 % of share dealing come under NSE , 20 % of them come under BSE , 14 % are based on CNX 100 and the remaining 6 % of respondent are influencing their decision in on S & CNX 500 .

Investors preference to invest

It is observed that 34 % of investment shares are infrastructure, 30 % of the investment holding are 30 % in Bank sector.The investors give more preference in bank sectors, service sector and telecommunication. Remaining sectors, the investors concentrate least percentage in invest .

Investment objective

It is observed that the investors are prefer different types of benefits motive.

On this majority of the investors are take very high preference on capital gain, regular income easy liquidity and tax benefits.

Investors satisfaction about SEBI

It shows that majority of 72 % of the investors are satisfied about SEBI, it provide proper guidelines, awareness about shares and educate to investors. Some of others not satisfied With SEBI they acquired loss from improper guidelines.

Capital market are safe mode to invest

Every one to feel a investment is safe mode, researcher should ask a question to investors that the capital investment is safe mode, out of 100 investors 82 % are confirms it as safe mode.

Test of Hypotheses

- There is no relationship between the mode of investment and age of the investors.
- There is no relationship between occupation and mode of investment of the investors.
- There is no relationship between the age and awareness of the investors.

(Table : 1)

Table : 1

Factors		Correlation	Results
Mode of Investment	Education	-0 . 0649	Accepted (Negative correlated)
Occupation	Mode of Investment	0 .4442	Accepted (Correlated)
Age	Awareness	0 .7495	Accepted (Correlated)

- There is no relationship between the mode of investment and age of the investors.
- There is no relationship between occupation and mode of investment of the investors.
- There is no relationship between the age and awareness of the investors.

Conclusion

The separation of business units may expedite the resolution of a financial institution. A fast and efficient resolution regime can dampen loan supply shocks due to a failure of a financial institution. Efficient resolutions also enhance trust in the soundness of the financial system, which is crucial to the efficiency of capital markets. Market forces lead financial institutions to choose their organizational structure that maximizes efficiency. This sometimes leads to a separation of business units in order to reduce conflicts of interest. However, the separation of business units can reduce the firm's ability to centralize functions such as liquidity management, and can thus result in a reduction in economies of scale. Restrictions on the organizational structure of financial institutions might also distort the allocation of capital in the economy, increase tax liability, increase risk taking, and reduce overall capital market efficiency. The study the relationship between finance and growth and find that external finance-dependent industries grow slower in countries with less efficient capital markets.

A STUDY ON TRAINING AND DEVELOPMENT OF SAMBANDAM SPINNING MILLS LTD, WITH SPECIAL REFERENCE T O SALEM DISTRICT

Dr. R. Swaminathan[1]   **[2]J.A.A. Jerald**

Abstract

Training is a learning experience in that it seeks a relatively permanent change in an individual that will improve the activity to perform on the job. It involves the changing of skills, knowledge, attitudes or behavior. It may mean changing what employees know, how they work, their attitudes toward their work, or their interaction with their co-worker or supervisor. Training increases the knowledge and skills of an employee for doing a particular job. The main output of training is learning. Training offers and inculcates new habits, refined skills and useful knowledge during the training that helps him improve performance. The term "training" indicates the process involved in improving the attitude, skills and abilities of the employees to perform the specific jobs. Training helps in updating old talents and developing new ones. This paper made an attempt to analyze the training programe which concerned with the development aspect of employees of sambandam spinning mills ltd., with special reference to salem district.

***Key words:** HRM, training & development and spinning mills.*

Introduction

Human resource management is the management of an organization's workforce, or human resources. It is responsiblefor the attraction, selection, training, assessment, and rewarding of employees, while also overseeing organizational leadership and culture, and ensuring compliance with employment and labor laws. In circumstances where employees desire and are legally authorized to hold a collective bargaining agreement, HR will also serve as the company's primary liaison with the employees' representatives. Human resources management deals with the people in the organization and utilizing the services, developing skills, motivating them to enhance their level of performance and ensuring that they remain to enhance their level of performance and ensuring that they remain committed to the organization , so that they can accomplish the organizational objectives. Thus it is a study of process that consists of four functions 1. Acquiring, 2.Developing, 3.Motivating, and 4.Retaining Human Resource.

Objectives

- To know the socio-demographic profile of the respondents.
- To determine the employees awareness regarding the training program.
- To identify the specific skills needed to improve the workers performance.
- To find out the feedback of the training program.
- To give suggestion to the organization for the improvement of training program.
- To identify the extent of participation & alertness of employees during the training programs.

Research Design

The research design is purely and simply the framework or plan for a study that guides the collection and analysis of data. It is a blue print that is adopted for finding out effective result for the research the aim of the study is to access the effectiveness of training for staffs and executives in Sambandam spinning Mills limited. T h e design used in this research is descriptive in nature. Based on the objectives of the study, a questionnaire was framed for collection of the data.

Nature of Data

The required data for this study is collected from two sources, i.e., Primary and secondary

Primary Data

A well structured questionnaire was prepared by the researcher to collect the primary data. 120 respondents were asked to answer a number of identical questions to elicit necessary information.

Secondary data

Secondary data means data that are already available and used. Here the secondary data have been collected from the organization records and profiles, journals and magazines.

Sample Size

The sample size of this study is 120 respondents. Each respondent fills a separate questionnaire. The questionnaire is framed in such a way that could help to find out solution for the objectives of the study.

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Sample Design

A sample design is a definite plan for obtaining a sample from the sampling frame, it refers to the techniques (or) procedure the researcher would adopt in selecting some sampling units from which inferences about the population is drawn. The sampling design used in this study is "Systematic Random Sampling Method".

Tools Used For Analysis and Interpretation

The collected data has been analyzed and represented in the form of tables, charts, pie diagram etc., the data has been further simplified into percentage for easy understanding. Chi-square test is used to have an insight and understand clearly the research study.

Table : 1

	Demographic Information	Respondents	Percent
Gender	Male	66	55
	Female	54	45
Age	20-30 Years	39	32.50
	31- 40 Years	38	31.67
	41-50 Years	22	18.33
	Above 50 Years	21	17.50
Marital status	Married	30	25
	Un Married	90	75
Qualification	School	29	24.17
	Diploma	32	26.67
	Technical Education	14	11.66
	Graduate	18	15.00
	Post Graduate	27	22.50
Department	Finance	26	21.67
	Personnel (HR)	37	30.83
	Marketing	26	21.67
	Production & Purchase	31	25.83
Income	Below 10000	46	38.33
	10000-15000	31	25.83
	16000-20000	18	15.00
	21000-25000	8	6.67
	Above 25000	17	14.17
Do you have training programs	**Effectiveness of Training programs**		
	Yes	109	90.83
	No	11	9.17
Period preferred for training	Once in a year	48	40
	Once in 3 months	38	31.67
	Once in a month	34	28.33
The necessity of attending the training program	Organizational Policy	43	35.83
	Job requirements	47	39.17
	Technical charges	14	11.67
	All of the above	16	13.33
Preference of training program	On-the-Job	53	44.17
	Off-the-Job	40	33.33

Modern methods of training	Both	27	22.50
	Black Board	37	30.83
	LCD	34	28.33
	Power Point	29	24.17
	Video Display	20	16.67

(Primary Data)

Findings of the Study

In this section an attempt is made to show the findings of "A study on training and development of sambandam spinning mills limited,salem". The broad conclusion was derived on the basis of analysis made in the proceeding chapters. A few recommendations are also given.

The findings with respect of personal details are as follows:

- Majority of 55 percent of the respondents walking in SSML are male.

- Majority 32.50 percent of the respondents age ranges between 20-30 years

- Majority of 75 percent of the respondents walking in SSML are married.

- Majority of 26.67 percent of the respondent are Diploma qualified.

- Majority of 30.83 percent of the respondents are from personnel (HR) department.

- Majority of 38.33 percent of the respondent are below 10000.

The findings with respect of training program effectiveness are as follows:M

- Majority (90.83%) of the respondents are agree about the usefulness of the training Programs.

- Majority (40 %) of the respondents want the training program is to be conducted once in a year.

- Majority (39.17%) of the respondents of SSML feels training is for job requirements.

- Majority (44.17) % of the respondents feels that the training program is on-the-job.

- Majority of 30.83 % of the respondents reveals the method of training is Black Board.

Suggestions

1. The training department should train the employees and should provide inputs to the employees to take care of the preventive measures in shop floor.

2. A training documents need to be maintained and prepared every year outlining the programs to be held, the target group, the faculty & the duration of the training.

3. Trainers must schedule the training programs in such a way that employees are comfortable to attend the training programs.

4. The career development opportunities available through training programs for the employees have to be witnessed.

5. The weaknesses of the employees are identified and make them aware through the trainer on regular intervals.

6. Employees should be motivated to improve their performance.

Conclusion

Training is a systematic program of the organization which aims at improving the attitude skills and abilities of the workers to perform specific jobs. The main objective of this project is to study the training and development program in the sambandam spinning mills limited. Moreover the training program was effectively reached all the participants of the training programs. This helps the organization to concentrate and improve their training program effectively on the future, which also will increase the productivity level of the company. This study concluded that the training program conducted in the sambandam spinning mills is at a satisfaction level among the employees. . But to meet the future competitive environment, further more improvements can be done so as to enable the management to retain the existing talented and productive workforce in the organisation. Hence the company can lead its program in a highly developed manner in order to make its standard more than the present condition.

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INVESTIGATING THE WEAK FORM EFFICIENCY OF AN EMERGING MARKET USING PARAMETRIC TESTS: EVIDENCE FROM NATIONAL STOCK MARKET OF INDIA

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Abstract

This paper focuses on the existence of weak from efficiency whether the National Stock Exchange (NSE) is efficient market or not. The sample includes the daily and monthly closing prices of CNX – Bank Nifity indexes for the period of January 2010 to September 2013. Several different parametric approaches: unit root test, autocorrelation tests and ARIMA model are used to test the certainty of the NSE market. All parametric methods tell us that both return series do not follow the random walk model and the significance autocorrelation reject the hypothesis of weak from efficiency. Generally, results from the observed analysis strongly recommend that the National Stock Market of India is not efficient in weak from.

Keywords*: NSE, Random Walk, Efficient market, ARIMA.*

Introduction

Market inadequacy is the key negative aspect for developing countries like Bangladesh, India and India. A great deal of the work on weak from efficiency is based on the parametric approaches, on develop markets of Europe and Latin American, (for example Hudson et al. (1994) consider the UK stock market; Nicolaas and Groenewold (1997) study the Australia and New Zealand markets while Ojah and Karemera (1999) examine the Latin American markets with many researchers).

There exists enough literature on weak efficiency of emerging markets as well, such as, of Asia (for instance Mobarek and Keasey (2000), Ahmad (2002), Hossain (2004) and Moustafa (2004) checked for Bangladesh stock exchange, Hussain (1996) India Market, Poshakwale (1996) consider the Indian stock market). However, a few studies have appeared in the literature focusing on the National Stock Market (NSE). The objective of this research work is to test and investigate whether the National Stock Market (NSE) is an efficient market or not. A brief review of findings of some of earlier research work is presented as under:

Abrosimova et al. (2005) investigated the existence of week from in the Russian stock market for the period of 1995 to 2001 by using daily, weekly and monthly Russian Trading System (RTS) index. Numerous dissimilar approaches are used to check the weak from efficiency of the RTS. The results indicated that daily and weekly data do not follow the normal hypothesis but the results support the null hypothesis for the monthly data only. Their research results provide some limited evidence of short-term market predictability on the RTS.

Chakraborty (2006) examined the weak from efficiency of the India stock market using NSE -100 index. The author was applying the variance ratio tests, runs tests and serial correlation tests. Serial correlation test and runs test reject the random walk hypothesis which means that NSE is not an efficient stock market. Furthermore, he reported that autocorrelation and heteroscedasticity is present in the data. It has been also found that ARMA (3, 0) was a suitable model for forecasting purpose to the National Stock Market.

There are three main stock exchanges in India. National Stock Exchange (NSE) is the largest stock market in India which was established on September 18, 1947. Other two are Islamabad and Lahore which are inactive as compared to National Stock Exchange. It was declared that NSE is the best performing stock market in all over the World for the year of 2002. 654 companies were listed at the end of 30 May, 2008. CNX Bank Nifity is used as a benchmark Indian index. Some information is given in Table. 1 about NSE. **(Table : 1)**

The objectives of this research paper are mainly having an idea about whether the National Stock Market of India is efficient market or not, to do this we used parametric approaches to check this and conclude that NSE is weak from efficiency market in other words do not follow the random walk model.

The rest of the article is prepared as follows. The second section reviews the methodology and data; the third section presents the empirical results and discussion; and the fourth section concludes the study.

Methodology

Efficient market hypotheses (EMH) claim that stock price indices are basically random. The basic model for estimating volatility in stock returns is the random walk model (RWM):

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Table : 1 Overview of NSE National Stock Exchange (NSE)

Type	Stock Exchange
Location	Mumbai India
Owner	National Stock Exchange Limited
Key People	Chitra Ramkrishna, CEO
Currency	Indian Rupee
No of listing companies	1,635
Market Capital	US$ .989 Trillion
Indexes	CNX Nifity, CNX Nifity Junior, CNX 500
Website	www.nseindia.com

$$Yt=\alpha + ut \quad (1)$$
Formula : 11.1

Secondly, the simplest ways to state Autoregressive of order one AR (1) model may also be estimated as:

$$Yt=\alpha + p\,Yt\text{-}1+ut \quad -1\le p\le 1 \quad (2)$$
Formula : 11.2

Where in both above equations 1 & 2 a is the constant parameter, p is the estimated parameterand u_t is an uncorrelated random error term with zero mean and constant variance (i.e., it iswhite noise). This model looks like the Markov first order autoregressive model. If pe"1,Y_t becomes non stationary series which means a unit root problem occurs in the returns. The term non stationary, random walk and unit root can be treated as identical. If p<1, Y_t be converted into stationary series.

Auto Regressive (AR) Model

The most widely used model of serial correlation is the first-order autoregressive. The AR (1) model is specified as:

$$Yt=\alpha + pYt\text{-}1+ ut \quad -1\le p\le 1 \quad (3)$$
Formula : 11.3

Where á is the vector of constant term, here the value of Y at time t depends on its value in the previous time period and a random term; the Y values are expressed as deviations from their mean value. The higher order autoregressive model or autoregressive model of order "p" denoted by AR (p) is given as:

$$Yt=\alpha + \Theta Yt\text{-}1+ \Theta Yt\text{-}2+ \ldots + \Theta pYpt\text{-}1+ ut \quad (4)$$
Formula : 11.4

Then Yt is said to follow a random walk model with drift because the presence of its constant Paramete a, Θ_p are the parameters of Autoregressive coefficients and $t\,u$ is an uncorrelated random error term.

Moving Average (MA) Model

Moving average process of order q is created by a weighted average of random error term and written its equation as:

$$Yt=a + u_t + \bullet u_t\text{-}1+ \bullet u_t\text{-}2+ \ldots + \bullet_q u_{t\text{-}q} \quad (5)$$

Where a is the intercept term, uncorrelated random error term u_t having zero mean and variance $\sqrt{2_u}$ and $\bullet$ q are unknown parameters. In short we can say a moving average process is simply a linear combination of white noise error term.

Auto Regressive Moving Average (ARMA) Model

If Yt has characteristic of both AR and MA components as an ARMA (p, q) model, where p and q are the orders of the AR and MA component, respectively. The algebraic representation of the ARMA model is:

$$Y_t = a + \Theta Y_{t\text{-}1} + \Theta pY_{t\text{-}p} + u_t + \bullet_1 u_t\,1 + \ldots + \bullet_q u_{t\text{-}q} \quad (6)$$

Where the intercept parameteris related to the mean of Y_t, the errors are assumed to be uncorrelated random variable with zero mean and constant variance, are the unknown parameters of autoregressive process and are the unknown parameters of moving average process. A simplest form of the autoregressive moving average model of order 1 of both p and q orders ARMA (1, 1) can be written as:

$$Y_t =a+ \Theta_1 Y_{t\text{-}1} + u_t + +\bullet_1 u_{t\text{-}1} \quad (7)$$

Where is an intercept term and u_t is assumed to be uncorrelated random variables, $è_1$ is an unknown parameter of autoregressive model and f" is an unknown parameter of moving average process.

Forecasting Performance

The common measures of forecasting performance are: MAE, RMSE and Theil- U (Abrosimova et al., 2005). The reported forecast error statistics are:

$$MAE = \frac{SAE}{N} = \frac{\sum_{i=1}^{N} \left| x_i - \hat{x}_i \right|}{N}$$

$$RMSE = \frac{\sqrt{\sum_{i=1}^{N}(x_i - \hat{x}_i)^2}}{N} \qquad (8)$$

$$Theil\text{-}U = \frac{\sqrt{\sum_{i=1}^{N}(x_i - \hat{x}_i)^2}}{N} \qquad (9)$$

$$\frac{}{\sqrt{\sum_{i=1}^{N} x_i^2 / N} + \sqrt{\sum_{i=1}^{N} \hat{x}_i^2 / N}} \qquad (10)$$

For : 11.8.9.10

Data and statistical features of daily & monthly market returns

We used the daily and monthly closing prices of CNX Bank Nifity indexes for the period of January 2010 to September 2013 (939 and 45 observations respectively)

covering a sufficient period of two and half years after removing the holidays, which is easily available on money control. Both daily and monthly close prices are calculated by taking the logarithm transformation (e.g. Mobarek and Keasey, 2000; Moustafa, 2004 and Abrosimova et al., 2005 ;). We estimated the models using both EViews 5.1 and Gretel programs.

Descriptive statistics

The essential assumption of random walk model is that the distribution of the return series must be normal. To assess the distributional property various descriptive statistics are reported in Table 2.

From **Table 2** It can be seen that the distribution of the return series are not normal. The returnseries of both daily and monthly are leptokurtic because of its large Kurtosis value which means non normal according to the Jarque and Bera test (1980), which rejects the normality at the 1% level.

Table : 2 Descriptive Statistics of daily & monthly returns

	Mean	Median	Minimum	Maximum
Daily Return	10620.5	10529.4	7798.55	13317.1
	Std. Dev.	**C.V.**	**Skewness**	K **urtosis**
	1218.12	0.114695	0.0788423	-0.821093
	Mean	**Median**	**Minimum**	**Maximum**
Monthly Return	10623.8	10424.8	7968.65	12708.6
	Std. Dev.	**C.V.**	**Skewness**	**Kurtosis**
	1227.22	0.115517	-0.0682109	-0.862194

The evidence of positive skewness in both returns is similar to the findings of Poshokwale (1996) in Indian stock market but their positive skewness coefficient (0.98) is much larger and Mobarek and Keasey (2000) in Dhaka stock market of Bangladesh who find the positive skeweness (1.203) is a larger amount. In other words, Jarque and Bera test, Skewness and Kurtosis values for both series of stock return series on the NSE indicates that the distribution is not normal.

Hypotheses

The study looks for evidence whether the National Stock Market follows random walk mode or not and second market is efficient or not i,e.

The National Stock Market follows a random walk model : H o

The National Stock Market do not follow random walk model :H1

Empirical Analysis and Results

Figure 1 and 2 illustrate firstly daily and monthly time series plots which indicates clearly that data is non-stationary and continuous trend and secondly after taking the logarithm transformation, the daily and monthly return series confirm that the mean of the series are now about constant which indicate clearly stationary, even though the variance becomes unusually high which clearly exhibit volatility clustering (Nourrendine (1998), Moustafa (2004) and Irfan et al. (2010)).

(Fig : 1 & 2)

Unit Root Test

The NSE indexes are tested for the occurrence of unit roots using the Augmented Dickey Fuller (ADF) (see in Table. 3) and Phillips Perron (PP) tests (not reported). Augmented Dickey Fuller (ADF) test is the most powerful test rather than other unit root tests. The ADF test

Figure : 1 Time series plot of daily closing prices & Return series of CNX Bank Nifity indexes

Figure : 2 Time series plot of monthly closing prices & Return series of CNX Bank Nifity indexes
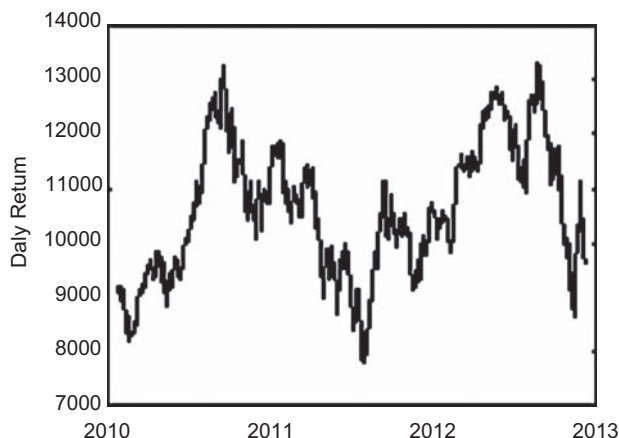
Fig : 1
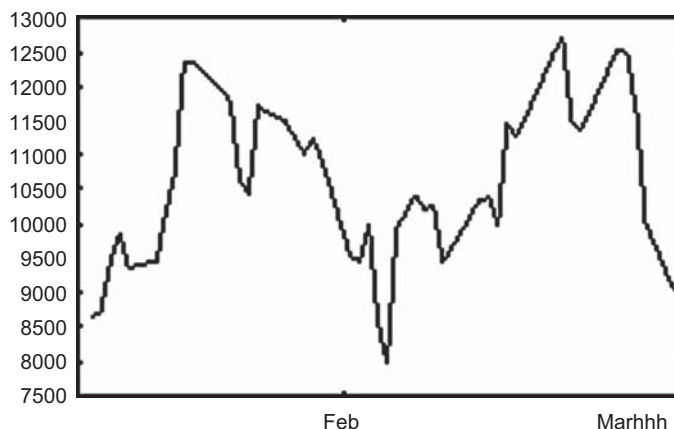
Fig : 2

examines the unit root of the observed data by taking the unit root (non stationarity) as taking the null hypothesis. The rejection of Ho implies that the return series Rt is stationary. Table. 3 reports the results of the ADF test for both indexes of NSE. We will employ the critical values offered by Mckinnon (1991) to estimate the null hypothesis. As a second step, another method to calculate unit root tests is applied (not reported). Therefore, daily and monthly returns series are stationary. The significance of all the coefficients and the value of Durbin-Waston Statistic (DWS) which is approximately 2 in both indexes (see in Table. 4 & Table. 5) indicate the correct specification of the test equation. So the National Stock Market is not efficient in weak from.

Table : 3 Test of Unit Root Augmented Dickey Fuller (ADF) Test statistic

Indexes	ADF Test Statistic	Critical value at 1 %	P- Value
Daily Return	0.003	-0.207571	0.6117
Monthly Return	0.104	-0.185863	0.6134

Table : 4 Normality Test Equation for Daily closing prices

Doornik-Hansen test = 38.3787, with p-value 4.63634e-009

Shapiro-Wilk W = 0.982507, with p-value 3.60451e-009

Lilliefors test = 0.0487983, with p-value ~= 0

Jarque-Bera test = 27.3215, with p-value 1.16735e-006

Table : 5 Normality Test Equation for Monthly closing prices

Doornik-Hansen test = 1.17093, with p-value 0.556848

Shapiro-Wilk W = 0.97188, with p-value 0.352032

Lilliefors test = 0.0837401, with p-value ~= 0.6

Jarque-Bera test = 1.39698, with p-value 0.497335

Autocorrelation and Partial Autocorrelation Tests

Autocorrelation and Partial Autocorrelation are performed for 36 lags of daily return series (See Table. 6 for only 10 lags). It was found that only 1st lag of daily data is significant different from zero at the 95 % confidence level. Box- Pierce Q statistic and Ljung- Box (LB) statistic give similar results. Autocorrelation (ACF) and Partial Autocorrelation (PACF) up to 10 lags due to insufficient sample of size for the NSE monthly return index that covers the period of 1999 to 2009 is performed in Table. 7, the coefficient for only on 1st lag is significant for weekly data. On the basis of both Autocorrelation tests we can reject the hypothesis of the random walk i,e.

the National Stock Market do not follow the random walk model in both daily and weekly cases. A similar observation was made in the study of Abrosimova et al. (2005) and Irfan et al. (2010). **(Table 6 & 7 Fig 2)**

ARIMA Model Building

ADF test statistic for both indexes is highly significant means reject the null hypothesis that NSE returns for both daily and monthly have a unit root; therefore the order of integration is set as zero. The results are in accordance with the findings of Moustafa (2004) and Abrosimova et al. (2005). ARIMA (1, 0, 1) appear to be

Table : 6 Autocorrelation and Partial Autocorrelation Functions of the daily returns of the NSE index

Autocorrelation function for DailyReturn				
LAG	**ACF**	**PACF**	**Q-stat.**	**[p-value]**
1	0.9894 ***	0.9894 ***	921.2189	[0.000]
2	0.9771 ***	-0.0886 ***	1820.5993	[0.000]
3	0.9652 ***	0.0212	2699.1609	[0.000]
4	0.9536 ***	0.0031	3557.6220	[0.000]
5	0.9424 ***	0.0101	4396.8392	[0.000]
6	0.9320 ***	0.0357	5218.6193	[0.000]
7	0.9214 ***	-0.0235	6022.6954	[0.000]
8	0.9103 ***	-0.0262	6808.3241	[0.000]
9	0.8984 ***	-0.0383	7574.3938	[0.000]
10	0.8861 ***	-0.0201	8320.4486	[0.000]
11	0.8746 ***	0.0332	9048.0303	[0.000]
12	0.8643 ***	0.0409	9759.2885	[0.000]
13	0.8536 ***	-0.0308	10453.8717	[0.000]
14	0.8433 ***	0.0156	11132.5526	[0.000]
15	0.8322 ***	-0.0512	11794.0780	[0.000]
16	0.8198 ***	-0.0479	12436.8330	[0.000]
17	0.8068 ***	-0.0280	13060.0288	[0.000]
18	0.7928 ***	-0.0574 *	13662.4252	[0.000]
19	0.7781 ***	0.0399	14243.2797	[0.000]
20	0.7640 ***	0.0170	14803.9183	[0.000]
21	0.7500 ***	-0.0131	15344.8491	[0.000]
22	0.7362 ***	0.0022	15866.5929	[0.000]
23	0.7224 ***	-0.0068	16369.5034	[0.000]
24	0.7091 ***	0.0178	16854.5329	[0.000]

25	0.6965 ***	0.0324	17322.9706	[0.000]
26	0.6840 ***	-0.0065	17775.3533	[0.000]
27	0.6717 ***	-0.0055	18211.9907	[0.000]
28	0.6594 ***	-0.0081	18633.2595	[0.000]
29	0.6467 ***	-0.0331	19038.9031	[0.000]

Table 7. Autocorrelation and Partial Autocorrelation Functions of the monthly returns of the NSE index

Autocorrelation function for Monthly Return				
LAG	ACF	PACF	Q-stat.	[p-value]
1	0.7299 ***	0.7299 ***	25.0769	[0.000]
2	0.4418 ***	-0.1946	34.4838	[0.000]
3	0.3180 **	0.1665	39.4771	[0.000]
4	0.1980	-0.1397	41.4601	[0.000]
5	0.1006	0.0296	41.9848	[0.000]
6	-0.0147	-0.1740	41.9963	[0.000]
7	-0.1473	-0.1064	43.1837	[0.000]
8	-0.2637 *	-0.1575	47.0932	[0.000]
9	-0.3037 **	0.0089	52.4269	[0.000]
10	-0.3260 **	-0.1287	58.7547	[0.000]
11	-0.3793 **	-0.1204	67.5809	[0.000]
12	-0.4035 ***	-0.0890	77.8800	[0.000]
13	-0.4515 ***	-0.2319	91.1907	[0.000]
14	-0.3930 ***	0.1103	101.6116	[0.000]
15	-0.2475	-0.0117	105.8858	[0.000]
16	-0.2031	-0.1482	108.8688	[0.000]
17	-0.1385	0.0647	110.3069	[0.000]
18	0.0201	0.1291	110.3384	[0.000]
19	0.1256	-0.0647	111.6164	[0.000]
20	0.1670	-0.0274	113.9693	[0.000]
21	0.2173	0.0071	118.1261	[0.000]
22	0.2652 *	0.0364	124.5947	[0.000]
23	0.2762 *	-0.0013	131.9466	[0.000]
24	0.2529 *	-0.1123	138.4185	[0.000]
25	0.2365	0.0625	144.3755	[0.000]
26	0.2268	0.0413	150.1606	[0.000]
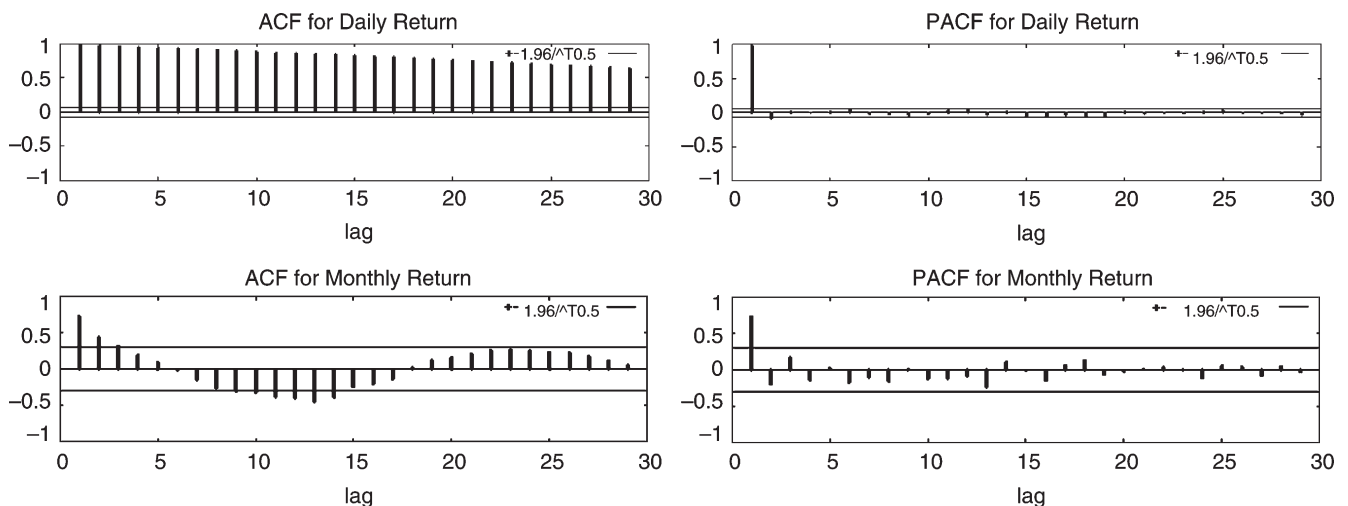
Fig : 2

fitted the best model for daily return series according to the different criterion like Akaike criterion and Schwarz criterion (see Table. 8). The correlogram of ARIMA (1, 0, 1) residuals shows no autocorrelation and partial Autocorrelation is left (see Table. 9), therefore, there is no need to search out another ARIMA model. Similarly, for monthly return series ARIMA (0 0, 1) is a suitable model according to the both criterion (see Table. 10). The correlogram of ARIMA (0, 0, 1) residuals shows no autocorrelation and partial Autocorrelation is present (see Table. 11). A graphical analysis for both daily and monthly return series also indicates that the fitted and the actual values are very close to each other (see Figure. 3). Therefore, there is no need to look for another ARIMA model.s

Results of the ARIMA study for both return series (see Table 9&11) suggest that both ARIMA Models (1, 0, 1) and (0, 0, 1) do not support the random walk model. The coefficients of AR (1) and MA (1) for daily return series (0.483056 & 0.905751) with standard errors of (0.160676 & 0.0683616) and probabilities of (0.00264 & 0.00001) reject the null hypothesis of random walk which indicates also that NSE monthly return series do not follow the random walk hypothesis. Similarly, same results have found for monthly return series of NSE. Our results are similar with the findings of Sharma et al. (1977) on the Bombay, London and New York Stock Exchanges, Nourredine (1998) on the Saudi Arabian market, Moustafa (2004) Bangladesh stock Exchange, Abrosimova et al. (2005) Russian stock market and Poshakwale (1996) Indian stock market who find the evidence of weak-form efficient.

Table : 8. ARMA (p, q) Order Selection

Mean dependent var	10622.09	S.D. dependent var	1217.768
Mean of innovations	-0.007514	S.D. of innovations	165.3734
Log-likelihood	-6115.934	Akaike criterion	12239.87
Schwarz criterion	12259.24	Hannan-Quinn	12247.25

Table : 9. ARIMA (1, 0, 1) model estimation for DailyReturn

	Coefficient	*Std. Error*	*Z*	*p-value*
Const	128.134	54.6651	2.3440	0.01908
Ar(1)	0.987985	0.00512835	192.6517	<0.00001
MA (1)	0.117952	0.0284346	4.1482	0.00003

Table : 10. ARMA (p, q) Order Selection

Mean dependent var	10623.78	S.D. dependent var	1227.224
Mean of innovations	21.00134	S.D. of innovations	736.6604
Log-likelihood	-353.5464	Akaike criterion	715.0928
Schwarz criterion	722.2295	Hannan-Quinn	717.7394

Table : 11. ARIMA (1, 0, 1) model estimation Monthly Return

	Coefficient	*Std. Error*	*Z*	*p-value*
Const	10453.1	397.367	26.3059	0.00001
Ar(1)	0.483056	0.160676	3.0064	0.00264
MA (1)	0.905751	0.0653616	13.8576	0.00001

Results of the ARIMA study for both return series (see Table 9&11) suggest that both ARIMA Models (1, 0, 1) and (0, 0, 1) do not support the random walk model. The coefficients of AR (1) and MA (1) for daily return series (0.483056 & 0.905751) with standard errors of (0.160676 & 0.0683616) and probabilities of (0.00264 & 0.00001) reject the null hypothesis of random walk which indicates also that NSE monthly return series do not follow the random walk hypothesis. Similarly, same results have found for monthly return series of NSE. Our results are similar with the findings of Sharma et al. (1977) on the Bombay, London and New York Stock Exchanges, Nourredine (1998) on the Saudi Arabian market, Moustafa (2004) Bangladesh stock Exchange, Abrosimova et al. (2005) Russian stock market and Poshakwale (1996) Indian stock market who find the evidence of weak-form efficient.

Forecast Analysis

We mentioned in the previous discussion that ARIMA (1, 0, 1) and ARIMA (0, 0, 1) are the best fitted model for both daily and monthly return series on the basis Akaike criterion, Schwarz criterion and residuals correlogram also tell us the same status.

By using these fitted models, the forecasting performance is done on the basis of different error criteria. Theil inequality in daily return series (0.936686) and in monthly return series (0.000251) is not close to zero thus we conclude that model is not an ideal fit in both cases. We also noted that bias proportion in daily and monthly returns is approximately zero but the variance proportion in daily return 87 % and in monthly return 53 % (see in Figure 4 & 5). Hence in the end we can say that both models are not good for forecasting purpose.

Static forecast for 2010 to 2013 of daily return series
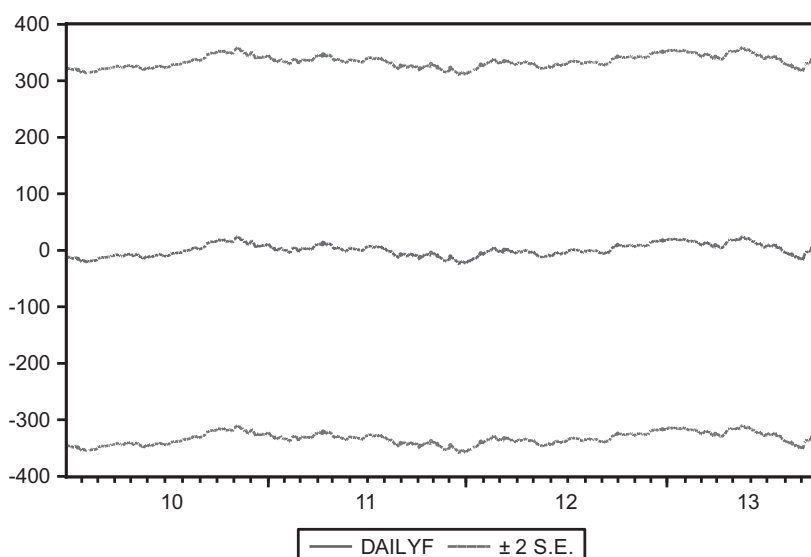
Forecast: DAILYF
Actual: DAILY
Forecast sample: 1/04/2010 9/30/2013
Included observations: 937
Root Mean Squared Error   166.5627
Mean Absolute Error   126.4903
Mean Abs. Percent Error   121.9554
Theil Inequality Coefficient 0.936686
    Bias Proportion   0.000000
    Variance Proportion   0.877522
    Covariance Proportion   0.122478

Static forecast for 2010 to 2013 of monthly return series
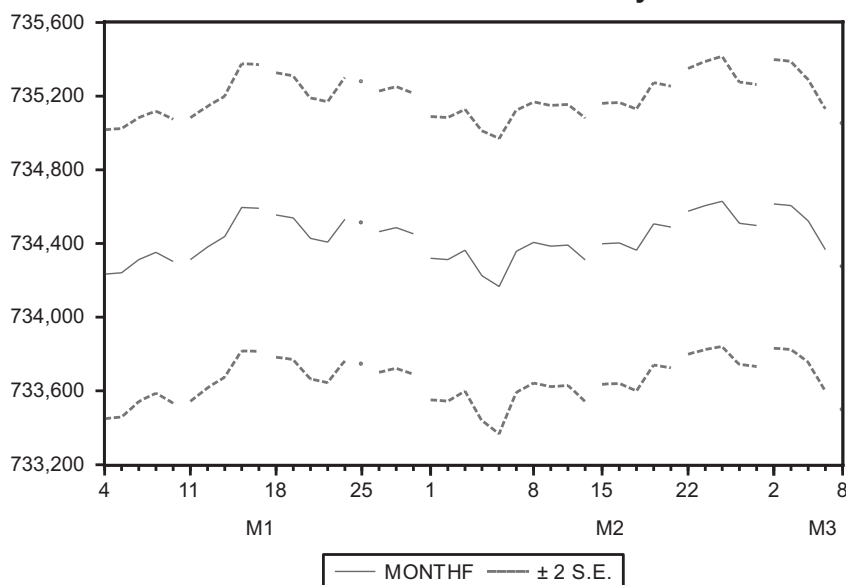
Forecast: MONTHF	
Actual: MONTH	
Forecast sample: 1/04/2010 9/30/2013	
Adjusted sample: 1/04/2010 3/08/2010	
Included observations: 44	
Root Mean Squared Error	368.1362
Mean Absolute Error	330.7562
Mean Abs. Percent Error	0.045037
Theil Inequality Coefficient	0.000251
Bias Proportion	0.000000
Variance Proportion	0.532076
Covariance Proportion	0.467924

Legend: MONTHF —— ± 2 S.E.

Conclusion

In this paper, we tested for weak from efficiency using the daily and monthly closing prices of National Stock Exchange (NSE) CNX Bank Nifity indexes for the period of January 2010 to September 2013. Several different parametric approaches: unit root test, autocorrelation tests and ARIMA model are used to test the sureness of the NSE market. The parameters of AR (p) and MA (q) were compared according to the different criterion like Akaike criterion and Schwarz criterion to select the best fitting model in both returns. Correlogram of ARIMA residuals show no autocorrelation and partial Autocorrelation is left in both series, therefore, there is no need to search out another ARIMA model. ARIMA (1, 0, 1) for daily return series and ARIMA (0, 0, 1) for monthly return series are selected. All parametric methods strongly recommended that both return series do not follow the random walk model and also reject the hypothesis of weak from efficiency. Overall results from the empirical analysis powerfully proposed that the National Stock Market of India is not efficient in weak from.

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"A STUDY ON FINANCIAL EFFICIENCY OF WORKING CAPITAL MANAGEMENT"

(With reference to Auto mobile Industry)

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Loluru Nagarjuna[2]

Abstract

Working capital management plays a significant role in automobile industry. Working capital management is closely linked with the management of cash. And, it related to short-term decisions that not taken on the same basis as capital investment decisions. In This paper, we analyse the efficiency of working capital management on automobile industry in India for the period 2009 to 2013. For this purpose, our research involves the analysis of three selected automobile companies **TATA Motors, Maruti Suzuki,** and **Mahindra and Mahidnra** from Indian Automobile Industry. The present study of the current assets and current liabilities make the results sufficient or inadequate working capital to settle the short debts by the companies. And also it indicate the test that the ratio of current assets to current liabilities is 1:1 as sufficient or more than one as inadequate Overall, our results indicate that the working capital management has a significant impact on profitability of the firms.

Key words: capital Management, Working capital Management, Automobile industry

Introduction:

Working capital is the money a business has available to sustain its operations. It's the capital available to purchase inventory, pay employees, keep the lights on, and finance other short term expenditures. This makes managing working capital a critical business skill. If there is no working capital, there is no business. Thousands of companies fail each year due to poor working capital management practices. Entrepreneurs often don't account for short term disruptions to cash flow and are forced to close their operations. Many of these companies have viable business models, and would have otherwise succeeded had they better managed their working capital.

Working Capital and Short Term Cash Flows

It's helpful to think of working capital as short term capital. A business's cash inflows and cash outflows can be broken into short term and long term categories. For example, sales and accounts receivable are short term cash inflows. Accounts payable and payroll are examples of short term cash outflows. These are cash flows that happen in the very near future. An important component of working capital management is to ensure short term inflows exceed short term outflows in a sufficient amount to sustain the day-to-day operations of the business. Not only does working capital management involve ensuring the business does not fail due to a short term cash problem, but it also helps to ensure a business does not carry too much cash. Cash is a low return asset. Businesses do not want to keep more of it than they need to for the same reasons you do. Cash stuffed under the mattress produces little return and businesses want the highest return possible on their assets. The effective management of working capital involves finding the right balance between having too little cash, accounts receivable, and inventories, and having too much. A measure of both a company's efficiency and its short-term financial health. The working capital is calculated as:

Working Capital = Current Assets – Current Liabilities

The working capital ratio (Current Assets/Current Liabilities) indicates whether a company has enough short term assets to cover its short term debt. Anything below 1 indicates negative W/C (working capital). While anything over 2 means that the company is not investing excess assets. Most believe that a ratio between 1.2 and 2.0 is sufficient.

History

The first car ran on India's roads in 1897. Until the 1930s, cars were imported directly, but in very small numbers.An embryonic automotive industry emerged in India in the 1940s. Hindustan was launched in 1942, longtime competitor Premier in 1944. They built GM and Fiat products respectively.[18] Mahindra & Mahindra was established by two brothers in 1945, and began assembly of Jeep CJ-3A utility vehicles. Following the independence, in 1947, the Government of India and the private sector launched efforts to create an automotive component manufacturing industry to supply to the automobile industry. In 1953 an import substitution programme was launched, and the import of fully built-up cars began to be impeded The Hindustan Ambassador dominated India's automotive market from the 1960s until the mid-80s However, the growth was relatively slow in the 1950s and 1960s due to nationalisation and the license raj which hampered the Indian private sector. Total

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restrictions for import of vehicles was set and after 1970 the automotive industry started to grow, but the growth was mainly driven by tractors, commercial vehicles and scooters. Cars were still a major luxury item. In the 1970s price controls were finally lifted, inserting a competitive element into the automobile market.[19] By the 1980s, the automobile market was still dominated by Hindustan and Premier, who sold superannuated products in fairly limited numbers.[20] During the eighties, a few competitors began to arrive on the scene.

The **automotive industry in India** is one of the larger markets in the world. It had previously been one of the fastest growing globally, but is currently experiencing flat or negative growth rates.[1][2] India's passenger car and commercial vehicle manufacturing industry is the sixth largest in the world, with an annual production of more than 3.9 million units in 2011. According to recent reports, India overtook Brazil and became the sixth largest passenger vehicle producer in the world (beating such old and new auto makers as Belgium, United Kingdom, Italy, Canada, Mexico, Russia, Spain, France, Brazil), grew 16 to 18 percent to sell around three million units in the course of 2011 and 2012. In 2009, India emerged as Asia's fourth largest exporter of passenger cars, behind Japan, South Korea, and Thailand. In 2010, India beat Thailand to become Asia's third largest exporter of passenger cars.

Concept of Working Capital

Working Capital Management is the process of **planning** and **controlling** the level and mix of current assets of the firm as well as financing these assets. Specifically, Working Capital Management requires financial managers to decide what quantities of cash, other liquid assets, accounts receivables and inventories the firm will hold at any point of time. Working capital is the capital you require for the working i.e. functioning of your business in the short run.

Gross working capital refers to the firm's investment in the current assets and includes cash, short term securities, debtors, bills receivables and inventories.

It is necessary to concentrate on the fact that the investment in the current assets should be neither excessive nor inadequate.WC requirement of a firm keeps changing with the change in the business activity and hence the firm must be in a position to strike a balance between them. The financial manager should know where to source the funds from, in case the need arise and where to invest in case of excess funds.

Net working capital refers to the difference between the current assets and the current liabilities. Current liabilities are those claims of outsiders, which are expected to mature for payment within an accounting year and include creditors, bills payable, bank overdraft and outstanding expenses. When current assets exceed current liabilities it is called **Positive WC** and when current liabilities exceed current assets it is called **Negative WC.** The Net WC being the difference between the current assets and current liabilities is a qualitative concept. It indicates:

- The liquidity position of the firm

- Suggests the extent to which the WC needs may be financed by permanent sources of funds Objectives of Working Capital Management

The two main objectives of working capital management are:

- To ensure the organisation has sufficient working capital resources to function and grow

- To improve profitability by keeping the investment in working capital to the minimum required

Importance of Working capital

Working capital management (WCM) refers to the strategies put in place to manage the relationship between the short term assets of a company with its short term liabilities. The objective of this is to make sure that an organization continues with its operations and meet its obligations when they fall due. Generally working capital management decisions are for the short term, mainly for a single financial year. Examples of WCM include monitoring receivables actively and maintaining little short term liabilities. If done properly, WCM will help increase earnings and establish a financially healthy organization.

Importance of working capital

- An effective will help you meet your obligations when they fall due, thus, if creditors make immediate demands for their money, you are able to meet them.

- Being able to pay your creditors without fail will improve your reputation in your business environment, the creditors will become loyal to you.

- A positive working capital will also enable your firm to pay its daily operation expenses such as wages bills and other overheads resulting in a smooth flow of operations without unnecessary stoppages.

- It is therefore very important to put in place an excellent working capital management system to ensure your organization operates optimally. Balancing your needs with obligations will also help you to avoid bankruptcy.

Dangers of Working capital Management

The excessive working capital

- It results in unnecessary accumulation of inventories. Thus the chances of inventory mishandling, waste, theft and losses increase

- It is an indication of defective credit policy and slack collection period. Consequently higher incidences of bad debts occur which adversely affects the profits.

- It makes the management complacent which degenerates into managerial inefficiency

- Tendencies of accumulating inventories to make speculative profits grow. This may tend to make the dividend policy liberal and difficult to copes with in future when the firm is unable to make speculative profits.

The inadequate working capital

- It stagnates growth .It becomes difficult for the firms to undertake profitable projects for non-availability of the WC funds.

- It becomes difficult to implement operating plans and achieve the firms profit targets

- Operating inefficiencies creep in when it becomes difficult even to meet day-to-day commitments.

- Fixed assets are not efficiently utilized. Thus the rate of return on investment slumps.

- It renders the firm unable to avail attractive credit opportunities etc.

- The firm loses its reputation when it is not in position to honor its short-term obligations. As a result the firm faces a tight credit terms.

Data analysis and Interpretation

Table : 1 N.W.C. of TATA MOTORS					
Standalone (Rs. i n Million)					
Particulars	Mar 2013	Mar 2012	Mar 2011	Mar 2010	Mar 2009
Current Assets Loans & Advances					
Currents Investments	17626.8	25902.6	860	5315.3	3894.7
Inventories	44550.3	45882.3	38913.9	29355.9	22298.1
Sundry Debtors	18180.4	27083.2	26028.8	23919 .2	12055.2
Cash and Bank	4628.6	18409.6	24289.2	17532.6	11418.2
Other Current Assets	1042.6	1134.1	2340.9	18210.2	13118.8
Short Term Loans and Advances	15320.9	18717.4	17283.8	27665.1	36512.2
A) Total Current Assets	101349.6	137129.2	109716.6	121998.3	99297.2
Current Liabilities					
Trade Payables	84550.2	87055.3	88172.7	117181.9	83152.3
Other Current Liabilities	49231	74709.5	32103.7	28909.7	2827.4
Short Term Borrowings	62169.1	30071.3	49587.7	0	0
Short Term Provisions	15095.8	29545.6	20138.6	27634.3	20789.5
B) Total Current Liabilities	211046.1	221381.7	190002.7	173725.9	106769.2
C) Net Woking capital (A -B)	-109696.5	-84252.5	-80286.1	-51727.6	-7472
D) Avg. Net Working capital	-66686.94				

Source: Live mint & the wall street journal

Table : 1. show that the negative balances of net working capital where Tata motors is not maintaining sufficient current assets to make the payment to the current liabilities. In the year 2009 the results of Net working capital is showing less negative balance Rs. 7472/- when compared to Five years. And also the negative balance of net

working capital is increasing year to year. The Average net working capital is Rs. -66686.94/-. In the year 2009 and 2010 the amount of Net working capital is less than the Average net working capital. The net working capital in the year 2011, 2012, and 2013 is more than the average net working capital. The short term business activity of Tata Motors Company is depended on credit basis. This negative net working capital may disturb the company activities and bring the company into insolvency position.

Table : 2 N.W.C. of MARUTI SUZUKI					
Standalone (Rs. in Million)					
Particulars	Mar 2013	Mar 2012	Mar 2011	Mar 2010	Mar 2009
Current Assets Loans & Advances					
Currents Investments	52298	47541	39956	52272	11050
Inventories	18407	17965	14150	12088	9023
Sundry Debtors	14237	9376	8245	8099	9378
Cash and Bank	7750	24361	25085	982	19390
Other Current Assets	5403	3764	1930	848	981
Short Term Loans and Advances	81941	71513	68053	67146	57761
Total Current Assets	180036	174520	157419	141435	107583
Current Liabilities					
Trade Payables	41674	33499	26083	23152	25696
Other Current Liabilities	11661	15892	9930	6213	4662
Short Term Borrowings	8463	10783	312	0	0
Short Term Provisions	77270	69022	65079	57752	45240
Total Current Liabilities	139068	129196	101404	87117	75598
C) Net Working capital (A-B)	40968	45324	56015	54318	31985
D)Avg.Net Working capital	45722				

Source: Live mint & the wall street journal

Table : 2. show the performance of Maruti Suzuki in the management of Working capital with the difference of current assets and current liabilities. All over the five years from 2009-2013 the company has positive net working capital which shows the companies ability to settle the current short term liability. In the year 2009 year the working

capital amount is Rs.31985/-. There is irregular increasing in amount of net working capital when compared five years from 2009-2013. In the year 2010 and 2011 the net working capital is Rs. 54318/- and Rs.56015/-. In the year 2012 and 2013 the amount of Net working capital is decreased to Rs. 45324/- and Rs.40968/- when compared to last two years 2010 and 2011. In the years of 2010 and 2011 net working capital is more when compared to average net working capital for five years is Rs, 45722/-.In the year 2012 the net working capital is Rs, 45324/- is very near to average net working capital to be maintain the company.

Table : 3. N.W.C of MAHINDRA AND MAHINDRA					
Standalone (Rs. in Million)					
Particulars	**Mar 2013**	**Mar 2012**	**Mar 2011**	**Mar 2010**	**Mar 2009**
Current Assets Loans & Advances					
Currents Investments	12619.6	10369	7202.7	10369.1	8694.3
Inventories	24197.7	23583.9	16942.1	11887.8	10606.7
Sundry Debtors	22083.5	19285.3	12603.1	12580.8	10436.5
Cash and Bank	17814.1	11884.3	6146.4	17432.3	15744.3
Other Current Assets	5085.4	4650.6	3153.1	508.7	25.8
Short Term Loans and Advances	7634	9309.9	8379.4	18055.5	13816
A)Total Current Assets	**89434.3**	**79083**	**54426.8**	**70834.2**	**59323.6**
Current Liabilities					
Trade Payables	55797.1	47363.5	39526.7	31940.9	33184.4
Other Current Liabilities	10521.7	12267	7294.5	2059.1	2017.6
Short Term Borrowings	546.3	3.9	91.5	0	0
Short Term Provisions	14638.8	13626.1	12601.6	17965.4	12775.6
B) Total Current Liabilities	**81503.9**	**73260.5**	**59514.3**	**51965.4**	**47977.6**
C) Net Working capital (A-B)	**7930.4**	**5822.5**	**-5087.5**	**18868.8**	**11346**
D) Avg.Net Working capital	**7776.04**				

Source: Live mint & the wall street journal

Table : 3. Is Examining the results of current assets and current liabilities of Mahindra and Mahindra company for five year from 2009-2013. Except the negative balance is Rs, 50875/- in the year 2011 the working capital is positive from remaining four years. This positive amount of net working capital gives the short term financial support to the company. In the year 2013 the net working capital is Rs, 7930.4/- when the year 2011 the company's net working capital was Rs.11346/-. But in the year 2010 there is unexpected growth in the amount of net working capital Rs, 18868/- from last year as well as remaining three years. In the years 2010 and 2013 the amount net working capital is more than the average net working capital is Rs, 7776.01/- .

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AN EMPHIRICAL STUDY ON PERCEPTIONS OF CULTURAL DIVERSITY AMONG EMPLOYEES OF DIFFERENT DEMOGRAPHIC CATEGORIES IN IT INDUSTRY, BANGALORE

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Abstract

IT industry is a fast growing industry in India with the capability to transform a developing country into a modernized global economy through the institutions, technology and infrastructure that it supports. Indian IT industry presents the case of an internationally competitive high technology industry with diversified workforce. The emergence of India as a leading information technology destination has created tremendous job opportunities for the Indian population. The present study is to investigate the acceptance of workforce diversity with respect to important dimension of workforce diversity, which is cultural diversity. India is one of the countries, which constitutes culturally rich and heterogeneous workforce, with the employees of different nations, languages, religions and different provincial states, working together to fulfill organizational goals. This has created cultural diversity climate in workplaces of multicultural organizations working in India. Numerous diversity management practices have been adopted to manage diversity in organizations. While framing different diversity management programs and practices, employers should focus on the differences present among employees across demographic categories. As such, a common diversity management policy will not yield successful result if there is difference in perceptions of acceptance towards diversity among employees of different age group, experience and gender. The objective of the study is to investigate whether there is significant difference in acceptance of cultural diversity among employees of different age group, experience marital status and gender.

Key words : age group, cultural diversity, experience, marital status, gender, IT industry.

Introduction

Before explaining the theme of cultural diversity, it will be proper to focus on workforce diversity in organizations. Among the many global trends affecting organisations in recent years is the rapidly changing composition of the workforce throughout the world and this is diversity in workforce. Embracing diversity is one of the key challenges faced by both small and large organizations. Diversity exists in organizations when its members differ from one another in one or more dimensions (Thomas and Ely, 1996). There are several factors for changing demographics of employees in organizations. Increasing opportunities for women education, global movement of workforce from one country to another, inclusion of young technical graduates into hi tech industries, revolution in communications through electronic inventions, s alliances and collaboration of the companies, and trend of talent hunt are responsible factors for the diversity in workforce in organizations. This has been resulted in diverse organizational environment, which necessitates management to focus on managing diversity to achieve the organizational goals. In order to respond effectively to employees and customers, many organizations are seeking to embrace diversity at the core of their business practices resulting in changes to attitudes, behaviors and outlooks both within and outside the organization. The basic concept of managing diversity accepts that the workforce consists of a diverse population of people.

Harnessing these differences will create a productive environment in which everyone feels valued, where their talents are being fully utilized and in which organizational goals are met, otherwise it will be damaging to the organizational effectiveness. Managing organization culture in a diversified environment is not easy. It is not only important for an organization to create inclusive environment but to make the employees to value, and to accept the diversity Regardless of how different people appear to be, almost all employees share some fundamental similarities and differences (Millikan, and Martins, 1996). Organizational members should accept the similarities and differences with positive perceptions for the successful inclusion of workforce diversity in any organization. The cultural impact on management is reflected by basic values, attitudes, beliefs and behavior of the people.

It is imperative to comprehend the Indian perspective of diversity and the need for diversity practitioners to enhance the acceptance of diversity in industry. Managerial functions differ in organizations of various cultures. Culture is seen as a basic variable that would explain these perceived differences in workplace behavior. The Indian perspective on life tends to differ most sharply from that of Europe and USA in the value that it accords to the discipline of philosophy. The hierarchical principle of social organization has been central to the conservatism of Indian tradition. India tends to cluster

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with countries having a high degree of uncertainty avoidance. Indians tend to work with lifelong friends and work performance is more relationship oriented than contractual in nature and would like to minimize risk. Work in the Indian system was not a tool to realize one's self but a means to fulfill family responsibility. The basic difference in the approach to work creates a situation of cultural conflict that is unique to the Indian business in the global context. Linguistically speaking, it has a variety of languages, dialects, and cultures. It is a country representing every major religion, almost two thousand ethnic groups, and four major language families containing a total of 216 languages, 544 dialects with and more than 10,000 native speakers and a strong social hierarchical structure unparalleled by any country other than the continent of Africa in terms of linguistic, social and cultural diversity.[1] The constitution recognizes sixteen languages including Hindi and English that are the two official languages. India has one of the largest English speaking populations in the Asia -Pacific region. India is a large country and comprises 29 states and 6 union territories. The cultural diversity is the hallmark of Indian society; very few other countries in the world might be as diverse as India. The population comprises six main religious groups: Hindus (83.2 percent), Muslims (11 percent), Sikhs (2 percent), Christians (2 percent), Jains and Buddhists (less than 1 percent). Amongst Hindus, there are over 4000 castes (Budhwar, 2003).

Indian organizations exhibit this vast cultural diversity, wherein every organization represents a mini India with its cultural flavors, employees representing from varied religions, ethnic groups, and casts and languages working together. From the advent of globalization, people from various nations are adding the workforce, showing more cultural differences. IT industry puts India in global map by the presence of starting ventures in 52 countries worldwide. More than 60,000 foreign nationals are working in Indian IT industry. 58% of the employees are from 2nd and 3rd tier cities. Around 30% of the employees are women and 74% of the employees are from below 30 years of age. 5% of the workforce in Indian IT industry is from economically backward classes.[2]

Need and Significance of the study:

The Information Technology industry is one of the most prominent sectors of present Indian economy, which is responsible for the employment generation and growth in gross income of the country. Apart from that, IT industry is influencing the lifestyles of people through contribution to the change in standard of living of the people. The industry is playing a crucial role in transforming India's image from a slow developing country to a country of entrepreneurs who provide world class technology solutions and business services. Information

Technology industry constitutes two major components: IT services and ITES-BPO services. The industry has increased its contribution to India's GDP from 1.2% in FY1998 to 7.5% in FY2012[3]. This industry is expected to add 230,000 jobs in FY2012, providing direct employment to about 2.8 million, and indirectly employing8.9 million people (NASSCOM Reports, 2012). IT industry has been witnessing tremendous change in their working style, employee resources and managing style. In keeping view of national and international view of raising importance on the area of workforce diversity management, the present research has been taken in the emerging IT field.

Literature Review

Cox (1993), a remarkable scientist, specialized in diversity theory, focuses on visible aspects, more precisely on not changeable attributes such as age and race. Even though he emphasizes on ethnicity and nationality, he defines diversity as the representation, in one social system, of people with distinctly different group affiliations of cultural significance. Along with this research work of Cox, Richard (2000), Ely and Thomas (2001) center their work on cultural diversity considering the differences in race and ethnicity of the employees. Cultural diversity in an organization can be seen from a pessimistic view or an optimistic view (Mannix and Neale, 2005). This is justified by a study, undertaken by Cox and Smolinski (1994)[4], which shows that cultural diversity affects workplaces. Further, they showed that organizational level or departmental differences as well as gender differences affect the working atmosphere for employees.

The research study by Kossek and Zonia (1993)[5], in the area of assessing diversity climate, examines the relationships among group characteristics (racio-ethnicity, gender and level), contextual organizational unit characteristics (gender and racio-ethnic heterogeneity and resource support for women) and perceptions of diversity by employees. This study reveals that women placed greater value on employer efforts to promote diversity when compared with men and held more favorable attitudes about the qualifications of women. Results of this research indicate that gender heterogeneity was significantly related to accepting diversity. The greater the ratio of women in a unit, the more favorable diversity activities was viewed, regardless of the respondents' gender and race or ethnicity. The study points out the need of better understanding of the issues of backlash and perceptions, regarding employer activities to promote a diverse workforce. This research suggests for the future similar researches across industries that would collect data about acceptance of diversity among employees and suggests taking care

about understanding the diversity policies and their influence on perceptions of diversity in organizations.

The research work by Riordhan and Shore (1997)[6], identifies the impact of demographic diversity on employee attitudes. The results show that demographic variables (gender and tenure) have no significant impact on attitudes towards diversity. The research work by Soni (2000)[7], identifies the impact of race and gender diversity, along with stereotyping and prejudice and the nature of interpersonal relations in public sector organizations in USA. The study examines race and gender diversity and how employees perceive diversity and diversity management initiatives in organizations. The paper explains a model, which is intervenes with a proactive approach to utilize, integrate, and to reward heterogeneous workforce. This model identifies the importance of accepting diversity as a salient issue among workforce to achieve the desirable goals of organizations. The findings of this research show significant differences in employee groups about acceptance of race and gender diversity and diversity management initiatives of the organizations. The study reveals that women show greater support for diversity and diversity management initiatives of the organizations when compared to their male colleagues.

A research work by Sonia Ospina (2001)[8], recognizes the importance of members of organization and their positive perceptions to recognize the benefits of diversity. Kundu (2003), investigates the diversity status in India by conducting survey on 80 companies from different sectors in India. The study reveals there is significant difference in attitude and perceptions of employees of different demographic characteristics. The study also identifies the female employees have more acceptance towards diversity in organizations.

A research work was conducted by Gaze (2010)[9], to determine the extent to which employee receptivity of diversity and diversity management strategies varied by gender, and ethnicity in a sample of government and military employees from an overseas United States Navy Medical Treatment Facility (MTF). This study is not consistent with the studies of Soni (2000), and findings show that there is no significant difference between female and male employees towards accepting culture diversity.

Thus, literature review shows the variation in responses and perception of employees towards diversity in organizations. By referring all these varied responses, the present study has been taken to investigate the differences in acceptance of diversity among employees of different age groups, varied experiences, marital status and gender with reference to IT industry

Operational definitions of the terms used in the study

Workforce diversity: This refers to differences among people based on culture, gender, race, ethnicity, age, religion, educational background, physical and mental disability, and other socio-economic class. For the present study, workforce diversity has been studied under one important dimension of workforce diversity, ie cultural diversity.

The word acceptance means the action of consenting to receive something offered or the process of receiving something as adequate, valid and salient (Oxford English dictionary).

Acceptance of cultural diversity refers to the positive perception of employees towards understanding, valuing and accepting the cultural differences and the similarities preset in workforce. This explains the employee perception about the importance of inclusion cultural diversity in organizations. Acceptance of cultural diversity explains employees' positive attitude towards receptivity to the differences and similarities in culturally diverse organizational environment. For the purpose of study, accepting the similarities and differences with respect to different cultural aspects like language, region, nationality, and religion which can be observed at IT Industry, have been considered.

10 items are listed under acceptance of cultural diversity and average of all items has been considered to explain acceptance of cultural diversity among employees.

Objectives of the study

An important empirical question, then, is to determine the extent to which members of different demographic categories of an organization differ in their perceptions about accepting cultural diversity, which is formally pronounced in Indian IT industry scenario. Based on the premises of the study, the objective of the study is to investigate the acceptance of cultural diversity among employees of different age group, gender, experience. The objective of this research study is to examine how the perceptions of the employees towards cultural diversity differs across different age groups, varied experiences, different marital status and between male and female employees. Employers are framing different diversity management practices to manage cultural diversity in organizations. While framing the practices they have to focus whether there is significant difference in perceptions towards cultural diversity among different demographic categories of employees.

Research design:

The research adopts both exploratory and descriptive design for structuring the further process. Experts'

opinion survey and focus group interview was conducted to get insight into the area of research. Based on this exploration study, the questionnaire was designed. As used in attitudinal research, a five-point Likert rating scale[10] was used to record survey responses and these questionnaires were administered among respondents to collect data for the research. In addition, several internal documents were reviewed and numbers of interactions were conducted with HR managers of several IT companies, to supplement information from the survey.

Sampling population

A sample of 600 respondents was considered for the study. Sample was drawn from 30 IT companies, situated in Bangalore.

Data Collection

The Primary data has been collected from 30 IT companies situated at Bangalore. Responses were collected for the present study by personal contact and through e-mails. Secondary data has been collected by company websites, journals related to Information Technology Industry, websites related to IT companies, and published interviews with top leaders of the industry.

The Tool

A detailed questionnaire is designed keeping in view the objectives and the hypotheses of the study, and administered among sample respondents.

The questionnaire has two sections.

Section 1 : Personal information of respondents was sought. It constitutes age group, experience, gender, and marital status of the respondents

Section 2 : This section is regarding acceptance of cultural diversity of employees. In this part, 10 items were listed, which explain perception of employees towards acceptance of cultural diversity. All the items were listed, using five point Likert rating scale, ranging, 1=strongly disagree, 2=disagree, 3=neutral, 4=agree,

5=strongly agree. These items were framed with the help of HR managers of various IT companies and reference has been taken from the Miville-Guzman Universality-Diversity Scale.[11] The respondents were requested to tick the appropriate box according to their perception.

Data analysis

The analysis of data was done using following statistical tools.

1. Chronbach's alpha for reliability test
2. Independent samples t- test
3. One way ANOVA

Hypotheses

The null hypothesis and alternate hypothesis were framed to test whether there is statistically significant difference is there in acceptance of cultural diversity among employees of different demographic categories.

1. $H1_0$: There is no significant difference in acceptance of cultural diversity with respect to age group, experience and marital status and gender of the employees.

2. $H1_A$: There is significant difference in acceptance of cultural diversity with respect to age group, experience and marital status and gender of the employees.

Data Analysis and Interpretation

General sample profile

The general information of the sample that has been taken for the present study is described in detail. Frequency distributions and percentage of the sample profile is explained through descriptive statistics.

Descriptive statistics: Frequency distribution

Frequency distributions were obtained for all the personal data of the sample profile variables. The frequencies for the number of employees categorized as type of company [Table 1.1], years of experience [Table 1.2], age [Table 1.3], gender [Table 1.4] and marital status [Table 1.5] are shown below **(Table : 1)**.

Type of company:

Table : 1 Frequency and percentage of employees with respect to type of company

Type of the company	Frequency	Percent	Valid Percent	Cumulative Percent
IT-Services	300	50.0	50.0	50.0
ITES-BPO-Services	300	50.0	50.0	100.0
Total	600	100.0	100.0	

Experience of the respondents:

Table : 2 Experience of employees in company

Experience of employees	Frequency	Percent	Valid Percent	Cumulative Percent
Below 2 years	108	18.0	18.0	18.0
2-5 years	160	26.7	26.7	44.7
6-10 years	176	29.3	29.3	74.0
11-15 years	89	14.8	14.8	88.8
16 years and above	67	11.2	11.2	100.0
Total	600	100.0	100.0	

Age:

Table : 3 Age group of employees.

Age of employees	Frequency	Percent	Valid Percent	Cumulative Percent
Below 25	106	17.7	17.7	17.7
25-29	195	32.5	32.5	50.2
30-35	163	27.2	27.2	77.3
36 and above	136	22.7	22.7	100.0
Total	600	100.0	100.0	

Gender :

Table : 4 Frequency and percentage of employees with respect to gender

Gender of employees	Frequency	Percent	Valid Percent	Cumulative Percent
Male	337	56.2	56.2	56.2
Female	263	43.8	43.8	100.0
Total	600	100.0	100.0	

Marital Status:

Table : 5 Frequency and percentage of employees with respect to marital status

Marital status of employees	Frequency	Percent	Valid Percent	Cumulative Percent
Single	271	45.2	45.2	45.2
Married	319	53.2	53.2	98.3
Others (divorced, widow, widower etc.)	10	1.7	1.7	100.0
Total	600	100.0	100.0	

Descriptive statistics for acceptance of cultural diversity

The dependent variable acceptance of cultural diversity has been explained by 10 items, Mean response and standard deviation values shown in table 1.6, and represented through the graph 1.1.

Table : 6 Descriptive statistics for acceptance of cultural diversity

Items	N	Mean	Standard Deviation
Comfortable to accept overseas assignment, whenever given opportunity	600	3.93	0.74
Like to learn new languages	600	4.19	0.52
Value and respect fundamental differences in culture	600	4.49	0.55
Comfortable to work with people of other regional states	600	4.37	0.96
Comfortable to work with people of other countries	600	4.13	0.99
Knowledge sharing by people of different cultures	600	4.28	0.61
Motivated to work in a group of people of other culture	600	4.42	0.60
Communicate effectively by listening with attention and as k questions which I don't understand	600	4.58	0.49
Comfortable to work with people of other religion, caste	600	4.02	0.76
Meet performance requirement of job regardless of cultural differences	600	3.99	0.76
Valid N (listwise)	600		

Graph : 1 Acceptance of cultural diversity among employees
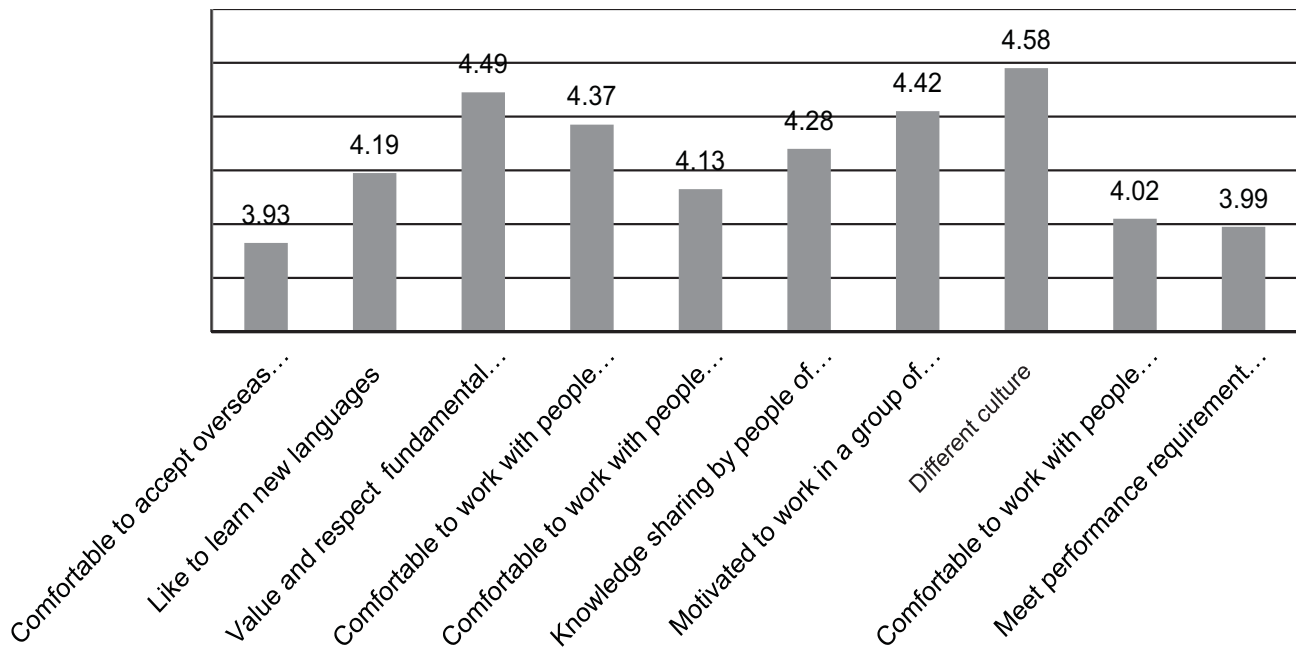
Interpretation: Table : 6 and **graph : 1** display the descriptive statistics for the variable acceptance of cultural diversity among employees. Acceptance of cultural diversity among employees has been explained by 10 items, which represent the response of employees in 5 point scale. The mean value with standard deviation is calculated for ten items, which describe the perceptions of employees towards cultural diversity acceptance in organizations. Results show that respondents are nearly agree to accept overseas assignment (mean = 3.93), and have highly positive response to learn new languages (mean = 4.19). Their perception towards valuing and respecting fundamental differences is very high (mean = 4.49), while they are highly positive towards being comfortable to work with the people of different regional states in workplace (mean = 4.37). They have positive response to work with people of different countries (mean = 4.13). Response reveals that employees highly agree that there is knowledge sharing by working with people of different culture (mean = 4.28), while they are highly positive to the statement that they will be motivated to work in a group where there are people from different culture (mean = 4.58). Employees' response to work with people of other religion, caste is also 4.02, indicating their positive response. The response for meeting performance irrespective of cultural differences in workplace (mean = 3.99), shows that respondents almost agree that that they achieve performance irrespective of different cultural groups in workplaces. Thus, from the above result, it can be interpreted that respondents have very high positive response in accepting cultural diversity in

organizations, as the overall mean for all ten items is 4.24. This shows employees are very much positive to cultural diversity in organizations and their acceptance towards cultural diversity is high.

Hypotheses Testing

To test the difference in acceptance of cultural diversity among different demographic characters hypotheses are framed and they are subjected to empirical tests. To test the hypotheses, a description of variables under investigation will be mentioned below, and hypotheses were tested using appropriate statistical tools.

Variables under Investigation

i. Independent variables
•   Age
•   Experience
•   Marital Status
•   Gender

ii. Dependent variable
•   Acceptance of cultural diversity

Hypotheses under investigation

I. To examine the acceptance of cultural diversity across demographic characters of employees, the null hypothesis and alternate hypothesis were framed.

H1$_0$: There is no significant difference in acceptance of cultural diversity with respect to age group, experience, marital status, and gender of the employees.

H1$_A$: There is significant difference in acceptance of cultural diversity with respect to age group, experience, marital status and gender of the employees.

One way ANOVA is used to test the hypothesis with respect to age group, experience and marital status and independent samples t test is used to test the hypothesis with respect to gender

This hypothesis can be tested in four stages with respect to age group of employees, experience of employees, marital status of the employees and gender of employees.

H1a) Test for the hypothesis with respect to age group:

H1$_0$: There is no significant difference in acceptance of cultural diversity with respect to age group of the employees.

H1$_A$: There is significant difference in acceptance of cultural diversity with respect to age group of the employees.

The difference in acceptance of cultural diversity among the employees of different age group is shown through the graph 1.2. One-way ANOVA is conducted, at 95% confidence level, to examine whether there are statistically significant differences in acceptance of cultural diversity among different age group of employees. The results of ANOVA, in testing this hypothesis, are shown in table 1.7

Graph : 2 explains the difference of acceptance of cultural diversity among employees of different age groups (**Graph : 2**).

Graph : 2 Graphical presentation of difference in acceptance of cultural diversity among different age groups of respondents

Table : 7 One way ANOVA output for acceptance of cultural diversity among employees of different age group.

	N	Mean	Standard. Deviation	F value	Sig value
Below 25	106	4.08	0.27		
25-29	195	4.22	0.31		
30-35	163	4.28	0.24	17.21	0.000
36 and above	136	4.34	0.33		
Total	600	4.24	0.30		

Interpretation: The result reveals, F value is 17.21 and significant value is 0.00, which is less than 0.05. This implies that there is significant difference in mean acceptance of cultural diversity among the employees of different age groups.

As shown through the values of the table 1.7, F = 17.21; p < 0.05, (95% is the confidence level), null hypothesis is rejected and alternate hypothesis is accepted.

Thus, **there is significant difference in acceptance of cultural diversity with respect to age group of the employees.**

H1b) Test for the hypothesis with respect to experience:

H1$_0$: There is no significant difference in acceptance of cultural diversity with respect to experience of the employees.

H1$_A$: There is significant difference in acceptance of cultural diversity with respect to experience of the employees.

One-way ANOVA was conducted, at 95% confidence level, to examine whether there are statistically significant differences in acceptance of cultural diversity among different groups of experience of employees. Table1.8 gives ANOVA results for acceptance of cultural diversity with respect to the experience of respondents. Graph 1.3 explains the difference of acceptance of cultural diversity among employees of different experiences.

Graph : 3 Graphical presentation of difference in acceptance of diversity among respondents of different experience groups

Table : 8 One way ANOVA output for acceptance of cultural diversity across experience

Experience of employees	N	Mean	Standard deviation	F value	Sig.Value
Below 2 years	108	4.08	0.29		
2-5 years	160	4.19	0.25		
6-10 years	176	4.22	0.34	23.22	0.000
11-15 years	89	4.46	0.23		
16 years and above	67	4.39	0.23		
Total	600	4.23	0.30		

Interpretation: The results reveal, F = 23.2 and significance value is 0.00 which is less than 0.05

As p < 0.05, the test substantiates alternate hypothesis, and, it can be interpreted that, **there is significant difference in acceptance of cultural diversity among the employees of different experience groups.**

H1c) Test for the hypothesis with respect to marital status of employees:

H1$_0$: There is no significant difference in acceptance of cultural diversity with respect to marital status of the employees.

H1$_A$: There is significant difference in acceptance of cultural diversity with respect to marital status of the employees.

One-way ANOVA was conducted, at 95% confidence level, to examine whether there are statistically significant differences in acceptance of cultural diversity among different marital status of employees. The results of ANOVA, in testing this hypothesis, are shown in table 1.9 Graph 1.4 explains the difference of acceptance of cultural diversity among employees of different marital status.

Graph : 4 Graphical presentation of difference in acceptance of diversity among different experience groups of respondents
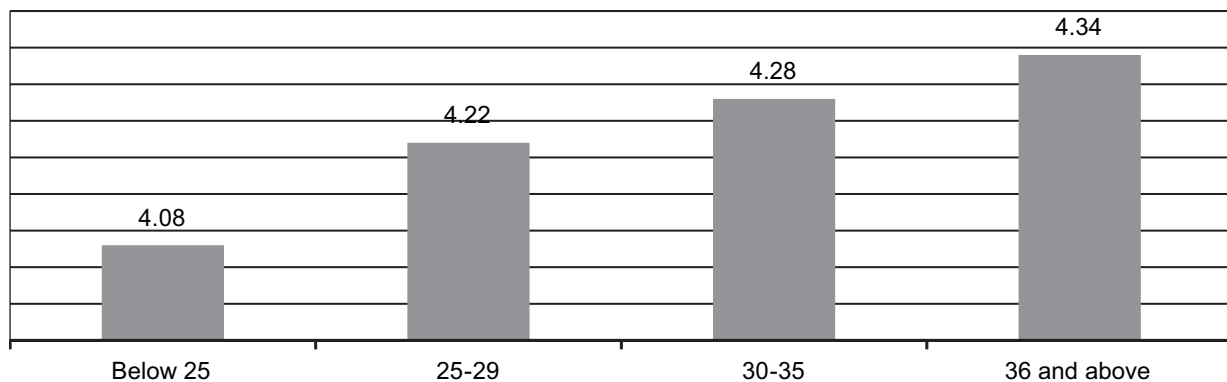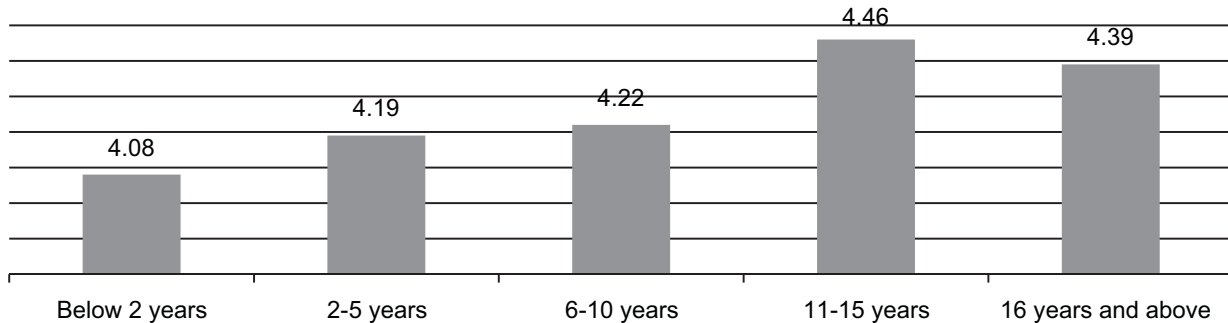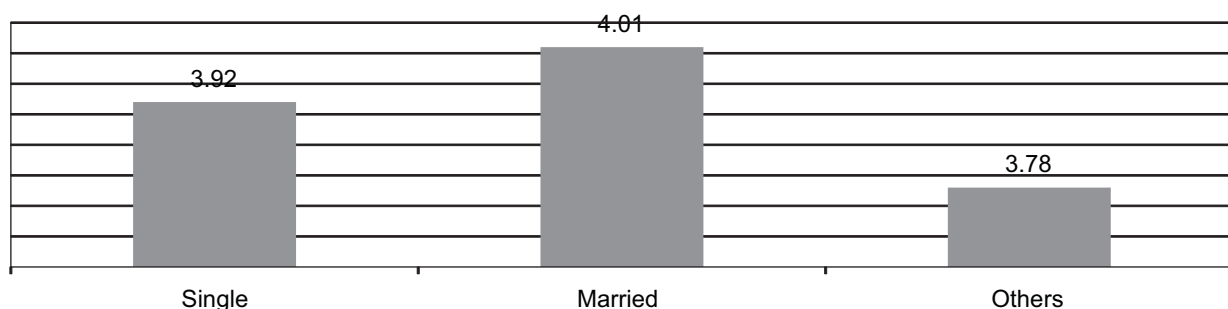
Table : 9 Output of one way ANOVA for acceptance of cultural diversity across marital status of employees

	N	Mean	Std. Deviation	F	Sig.Value
Single	271	3.92	0.42		
Married	319	4.01	0.35	12.63	.000
Others	10	3.78	0.42		
Total	600	3.97	0.39		

Interpretation: The results reveal, F = 12.63 and p < 0.05. This implies that there is significant difference in mean acceptance of cultural diversity among the employees of different marital status.

Thus, the test substantiates alternate hypothesis, and it can be interpreted that, **there is significant difference in acceptance of cultural diversity with respect of the marital status of the employees.**

H1d) Test for the hypothesis with respect to gender of employees

H1$_0$: There is no significant difference in acceptance of cultural diversity among male and female employees.

H1$_A$: There is significant difference in acceptance of cultural diversity among male and female employees.

Graph : 5 Graphical presentation of difference in acceptance of cultural diversity among male and female respondents**.**
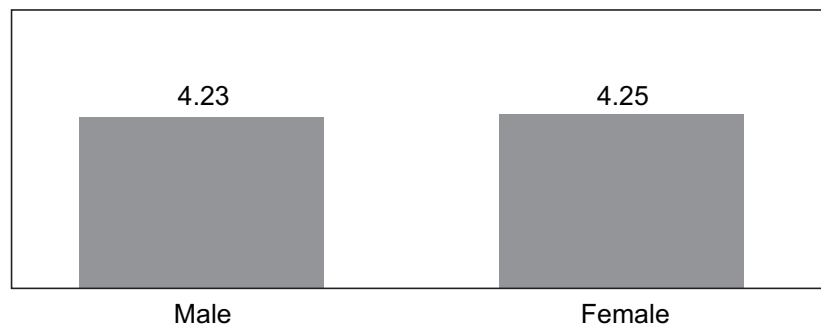
Table : 10 Independent samples t test for acceptance of cultural diversity among male and female respondents.

ARI	Gender	N	Mean	Std. Deviation	t value	F value	Sig value
Cultural Diversity	Male	337	4.23	0.25	-2.617		
	Female	263	4.25	0.35	-2.592	58.34	0.00

Interpretation: The results is shown in table 1.10 and F and t values are obtained. The values are, F = 58.34 and t > ± 1.96, and is significant at 0.00 level (p < 0.05). Hence, null hypothesis is rejected and alternate hypothesis is accepted. This implies that there is significant difference in mean acceptance of cultural diversity among male and female employees.

Thus the test substantiates alternate hypothesis, and, it can be stated that, there is significant difference in acceptance of cultural diversity among male and female employees.

Overall, from the results of H1a, H1b, H1c and H1d, it has been proved that, **there is significant difference in acceptance of cultural diversity with respect to age group, experience, marital status and gender of the employees.**

Summary of findings and discussion: The research investigates acceptance of cultural diversity among employees across different demographic categories. For the research, 600 employees have been taken as sample from 15 IT services and 15 ITES-BPO services organizations situated at Bangalore.

The findings of the research show that acceptance of cultural diversity among employees is high, showing the mean response 4.24 on a 5 point scale, which describes that employees of IT industry are highly receptive to cultural diversity in organizations. They have highly positive response towards valuing and respecting fundamental differences of people of other culture and being comfortable to communicate with the people of different cultures show that the employees' acceptance to cultural diversity is very high. This shows that the employees are optimistic about receiving cultural differences in organizations.

Significant differences were found in acceptance of cultural diversity among the employees of different experience. Acceptance is more among the people who have experience of 11-15 years of experience and lower in people who have below 2 years of experience with respect to cultural diversity. The acceptance is lower among the employees of below 25 years of age and higher among employees of 36 years and above. This shows the need of diversity awareness training and diversity sensitivity training among entry level employees.

Significant differences were found in acceptance of cultural diversity among the employees of different marital status. Acceptance of cultural diversity is more among the married employees and less in employees who are single, unmarried, widowed etc. This result reveals the need of diversity practices and programs which focus on enhancing tolerance among employees who are single, widowed or divorced. Ultimately the organization culture should be developed to incorporate benefits of diversity inclusion in organizations.

When we consider the acceptance among male and female employees, there are significant differences in acceptance of cultural diversity among them. Acceptance of cultural diversity is more among female employees than the male employees and difference is significant. The findings of the study with respect to male and female employees' responses are in consistent with the research findings of Kundu (2003). The diversity programs trainings should focus to fill up this gap between gender perceptions.

Conclusion : The results of this research show significant differences in acceptance of cultural diversity among employees of different age groups, experience, marital status and gender. The acceptance of cultural diversity enhances positive work environment and group performance. In modern organizations, diversity inclusion has become business imperative, because of international competitiveness, talent hunt and international migration of the workforce. Respecting and valuing cultural differences among employees is one of

the prerequisites for the organizational effectiveness. The employers of the organizations are framing different diversity management practices and programs to reap the benefits of the potentials of the diverse employees. As there is difference in acceptance of cultural diversity among the employees of different demographic dimensions, it is very important for the employers to evaluate diversity metrics frequently in organizations. The diversity management practices should be designed considering these differences in perceptions of employees across different demographic categories. A common diversity management policy will not hold good to manage cultural diversity in organizations. The acceptance of the employees towards diversity inclusion can be enhanced by considering these differences and framing customized diversity trainings on organizations. The research shows that employees are very positive to the cultural diversity in Indian IT organizations and effectiveness of the employees can be enhanced focusing on more diversity programs and practices.

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A STUDY ON E-BANKING SERVICE PROBLEMS FACED BY CUSTOMERS IN TRICHIRAPALLI.

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Introduction:

With the expansion of internet usage, e-banking has become one of the most revolutionized components of today's economic growth. E-banking is powerful value added tool to attract new customers and retain the existing ones. With the proliferation of internet and computer usage, the electronic delivery of e-banking service has become ideal for banks to meet customer expectations. Besides it helps in eliminating costly paper handling and teller interaction in the increasingly competitive banking environment. The potential competitive advantage of e-banking lies in the areas of cost reduction and satisfaction of consumer needs.

Need of the study

The growth of e-banking with the increase in the range of interface options available to access online , banking solution has resulted in a steady increase in the number of customers interacting through remote channels, to a greater extent than before. In a climate of increasing online competition banks that have chosen to retain extensive branch network s are re-aligning the roles of staff in these branches and moving towards a relationship driven sales culture.(Durkin 2007) [1]t Trichy is an educational city where maximum number of professionals and business people carry the commercial activities through banks. To know the level of problems faced by the customers while utilising the e-banking services, a study been undertaken among the select banks in Trichy in customers point of view.

Statement of Problem

Compatible with the demands of electronic market place, banks have endeavored to develop e-banking. The banking organizations are also offering e- transactional services to customers. To meet the competition among the banking sector the banks are forced to do the various forms of e-banking services. The purpose is to study the view of the customers about e-banking channel and the problems faced by the customers in using the e-banking services. This study is done in selective private and nationalized commercial banks in Trichirappalli dt.

The respondents of the study were the customers of the banks using e-banking services (ATM, online banking, credit card, Tele-banking and mobile banking).

Scope of The Study

The first part of the research is to evaluate nationalized and private banks with regard to their e-banking service qualities. The second part of the research is a survey that aim to analyze the over all service problems of over all e-banking services of nationalized and private sector banks in Trichirappalli district. It is hoped that this study will help the bank to know about where they stand and what they have to do for the prosperity of the organization.

Objectives

The researcher has coined the following objectives for this research.

1. To understand and compare the problems faced by the customers of nationalized and private commercial banks in using e-banking services

2. To offer suggestions to improve the e-banking customer services.

Hypothesis

The researcher has coined the following hypothesis for this research.

- There is no significant difference between nationalized banks and private banks of the respondents and their problems of e-banking services.

- There is a significant difference between name of bank of the respondents and their various problems faced in e-banking services.

- There is no significant difference between age, gender, occupation, area of residence, monthly income of the respondents and their overall e-banking services problems.

Methodology

The customers who are making use of the electronic banking services provided by different banks in Trichirappalli district constitute the universe. Since the study is a comparative study on E-banking services among the banks, the total commercial banks are classified into two namely, nationalized banks and private banks.The researcher randomly selected five nationalized banks and five private banks from among the banks who are popularly known for e-banking services.

State bank of India, Indian Bank, Indian Overseas bank, Canara Bank, Bank of India are the banks selected from the nationalized category. ICICI Bank, Lakshmi Vilas

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Bank, Karur Vysya Bank, Catholic Cyrian bank, Federal bank are the banks selected from private bank sector. The researcher identified and selected sample respondents who are provided e-banking services by the selected nationalized and private banks not exceeding 50 number from each of the nationalized bank category and private bank category under simple random sampling technique. Therefore the sample size is 500. The necessary primary data was collected from the sample respondents by personal interview method.

The secondary data and other reviews are collected from the books, journals, newspapers, government publications, annual reports, bulletins and VIP's addresses. The secondary data was also collected from Head quarters of each of the selected nationalized and private banks for the formulation and inclusion of the chapter, profile of the study. The nature of the study is comparative and exploratory study. Analysis of the study is done with the help of the relevant statistical tools like Kruskal-Wallis test, Mann Whitney test, Chi-square test, T-test, Correlation analysis, one way anova and inter correlation matrix analysis.

Limitations

The study is restricted to the customers' perspectives, therefore it does not Cover any performance appraisal or opinion on e-banking services from bankers' perspective. The results of the study cannot be substantiated to other areas of the state and country.

Analyses

Table : 1 Gender

Sl.no	Particulars	No.of respondents (n=500)	Percentage (100%)
1	Male	375	75
2	Female	125	25

The table above shows that out of the total respondents who were using e-banking services, three fourth (75%) of respondents were male and one fourth (25%) were female. It is inferred that compared to female respondents male respondents are using the e-banking services in a frequent manner.

Table : 2 Age

Sl.no	Particulars	No.of respondents (n=500)	Percentage (100%)
1	Below 25yrs	19	3.8
2	26 to 35yrs	120	24.0
3	36 to 45yrs	209	41.8
4	46 to 55yrs	125	25.0
5	56yrs & above	27	5.4

The above tables shows that out of the total respondents using e-banking services a vast majority number (41 %) of respondents belong to the age group between 36 to 45 years. Exactly one fourth (25 percent) of the respondents belong to the age group of 46 to 55 years. Nearly one fourth (24 percent) of the respondents belong to the age group of 26 to 35 years, 5.4 percent of the respondents belong to the age group of 56 years and above and 3.8 percent of the respondents belong to below 25 years age group.

It is inferred that maximum no of respondents belonging to the age group of 36 to 45 years are using the e-banking services.

Table : 3 Occupation

Sl.no	Particulars	No.of respondents (n=500)	Percentage (100%)
1	Professional	118	23.6
2	Agriculturist	27	5.4
3	Businessman	105	21.0
4	Salaried class	225	45.0
5	Others	25	5.0

The above table shows that out of the total respondents using e-banking services a maximum (45%) of respondents belong to salaried class, 23.6 percent are professional group , 21 percent of respondents are businessmen , 5.4 percent are agriculturist and 5 percent belong to other occupational group. It is inferred that e-banking services mostly been utilized by salaried class people. Awareness level of e-banking services next prevails with professionals. 23.6 percent of respondents are using e-banking services and 21 percent of respondents who are using e-banking services are businessmen.

Table : 4 Educational background

Sl.no	Particulars	No.of respondents (n=500)	Percentage (100%)
1	below hsc	47	9.4
2	Graduate	79	15.8
3	postgraduate	261	52.2
4	professional	113	22.6

Among the total respondents using e-banking services 52.2 percent of respondents were postgraduates 22.6 percent of respondents were professionals 15.8 percent of respondents were graduates and 9.4 percent of respondents were below higher secondary.

It is inferred that compared to other educational class people who have qualification of post graduation utilize the e-banking services to the maximum.

Table : 5 Area of residence

Sl.no	Particulars	No.of respondents (n=500)	Percentage (100%)
1	rural	66	13.2
2	urban	434	86.8

Out of the total respondents a maximum (86.8%) of respondents belong to urban area and 13.4 percent belong to rural area. It is inferred that e-banking services been mostly used by people living in the urban area.

Table : 6 Monthly Income

Sl. no	Particulars	No.of respondents (n=500)	Percentage (100%)
1	Below Rs.10000	29	5.8
2	10001 to 20000	186	37.2
3	20001 to 30000	135	27.0
4	30001 to 40000	101	20.2
5	40001 to 50000	37	7.4
6	50001 & above	12	2.4

Table : 6 Out of the total respondents doing e-banking services a maximum (37.2 %) of respondents belong to the monthly income group of 10001 to 20000. 27 percent respondents belong to 20001 to 30000, 20.2 percent belong to 30001 to 40000, 7.4 percent belong to 40001 to 50000, 5.8 percent belong to below 10000 income group and 2.4 percent respondents belong to 50001 and above income group.

It is inferred that compared to other income group people respondents belonging to the income group of 10000 to 20000 use the e-banking services to a maximum extent.

Mann-Whitney Test

Table : 7 Difference between nature of bank of the respondents and various problems faced by customers

Sl.no	Nature of banks	Mean Rank	Sum of ranks
1	**Inadequate knowledge about the usage of e-channels**		
	National (n=250)	269.92	67481.00
	Private (n=250)	231.08	57769.00
2	**Unsuitable location of ATMs**		
	National (n=250)	252.08	63020.50
	Private (n=250)	248.92	62229.50
3	**No of ATMS not sufficient**		
	National (n=250)	247.90	61976.00
	Private (n=250)	253.10	63274.00
4	**Poor network**		
	National (n=250)	237.27	59318.50
	Private (n=250)	263.73	65931.50
5	**Lack of interest from customers**		
	National (n=250)	253.15	63288.00
	Private (n=250)	247.85	61962.00
6	**Pass word forgotten**		
	National (n=250)	232.62	58154.00
	Private (n=250)	268.38	67096.00
7	**Card misplaced**		
	National (n=250)	250.98	62746.00
	Private (n=250)	250.02	62504.00
8	**Misuse of card and frauds**		
	National (n=250)	245.11	61278.00
	Private (n=250)	255.89	63972.00
9	**Lack of confidence**		
	National (n=250)	242.87	60717.50
	Private (n=250)	258.13	64532.50
10	**Technical hurdles of ATMs and smart card**		
	National (n=250)	257.30	64324.50
	Private (n=250)	243.70	60925.50

Test Statistics (a)

	Inadequate knowledge about the usage of e-channels	Unsuitable location of ATMs	No of ATMS not sufficient	Poor network	Lack of interest from customers	Pass word forgotten	Card misplaced	Misuse of card and frauds	Lack of confidence	Technical hurdles of ATMs and smart card
Mann-Whitney U	26394.000	30854.500	30601.000	27943.500	30587.000	26779.000	31129.000	29903.000	29342.500	29550.500
Wilcoxon W	57769.000	62229.500	61976.000	59318.500	61962.000	58154.000	62504.000	61278.000	60717.500	60925.500
Z	-3.024	-.246	-.405	-2.122	-.423	-2.834	-.077	-.960	-1.328	-1.110
Asymp. Sig. (2-tailed)	.002	.805	.686	.034	.672	.005	.938	.337	.184	.267

Grouping Variable : Nationalized / Private

The above table reveals that there is no significant difference between nature of bank of the respondents and their various problems faced in e-banking services. Hence, the calculated value greater than table value.

Research hypothesis

There is a significant difference between nature of bank of the respondents and their various problems faced in e-banking services.

Null hypothesis

There is no significant difference between nature of bank of the respondents and their various problems faced in e-banking services.

Statistical test

Mann Whitney test was used the above hypothesis

Findings

The above table reveals that there is no significant difference between nature of bank of the respondents and their various problems faced in e-banking services. Hence, the calculated value greater than table value. So the research hypothesis rejected and the null hypothesis accepted.

Kruskal-Wallis Test

Table : 8 Difference between occupation of the respondents and their various problems faced in e-banking services

Sl.no	Occupation	Mean Rank
1	**Inadequate knowledge about the usage of e-channels**	
	Professional (n=118)	276.33
	Agriculturist (n=27)	237.33
	Businessman (n=105)	234.42
	salaried class (n=225)	248.56
	Others (n=25)	227.84
2	**Unsuitable location of ATMs**	
	Professional (n=118)	239.23
	Agriculturist (n=27)	245.06
	Businessman (n=105)	265.71
	salaried class (n=225)	253.34
	Others (n=25)	220.10
3	**No of ATMS not sufficient**	
	Professional (n=118)	254.81
	Agriculturist (n=27)	283.52
	Businessman (n=105)	249.85

	salaried class (n=225)	247.40
	Others (n=25)	225.08
4	**Poor network**	
	Professional (n=118)	253.16
	Agriculturist (n=27)	220.83
	Businessman (n=105)	246.71
	salaried class (n=225)	254.92
	Others (n=25)	246.16
5	**Lack of interest from customers**	
	Professional (n=118)	241.86
	Agriculturist (n=27)	275.28
	Businessman (n=105)	214.10
	salaried class (n=225)	269.99
	Others (n=25)	242.00
6	**Pass word forgotten**	
	Professional (n=118)	250.81
	Agriculturist (n=27)	275.06
	Businessman (n=105)	251.82
	salaried class (n=225)	252.58
	Others (n=25)	198.24
7	**Card misplaced**	
	Professional (n=118)	262.97
	Agriculturist (n=27)	295.83
	Businessman (n=105)	256.81
	salaried class (n=225)	240.22
	Others (n=25)	208.62
8	**Misuse of card and frauds**	
	Professional (n=118)	219.29
	Agriculturist (n=27)	259.07
	Businessman (n=105)	273.17
	salaried class (n=225)	257.78
	Others (n=25)	227.84
9	**Lack of confidence**	
	Professional (n=118)	224.72
	Agriculturist (n=27)	249.61
	Businessman (n=105)	244.88
	salaried class (n=225)	271.18
	Others (n=25)	210.58
10	**Technical hurdles of ATMs and smart card**	
	Professional (n=118)	238.17
	Agriculturist (n=27)	257.30
	Businessman (n=105)	239.14
	salaried class (n=225)	260.06
	Others (n=25)	262.98

Test Statistics (a,b)

	Inadequate knowledge about the usage of e-channels	Unsuitable location of ATMs	No of ATMS not sufficient	Poor network	Lack of interest from customers	Pass word forgotten	Card misplaced	Misuse of card and frauds	Lack of confidence	Technical hurdles of ATMs and smart card
Chi-Square	6.024	3.151	2.429	1.594	12.811	4.304	7.411	12.432	13.201	3.050
d f	4	4	4	4	4	4	4	4	4	4
Asymp. Sig.	.197	.533	.657	.810	.012	.366	.116	.014	.010	.549

a Kruskal Wallis Test

b Grouping Variable: Occupation

The above table reveals that there is no significant difference between occupation of the respondents and their various problems faced in e-banking services. Hence, the calculated value greater than table value.

Research hypothesis

There is a significant difference between occupation of the respondents and their various problems faced in e-banking services.

Null hypothesis

There is no significant difference between occupation of the respondents and their various problems faced in e-banking services.

Statistical test

Kruskal Wallis test was used the above hypothesis

Findings

The above table reveals that there is no significant difference between occupation of the respondents and their various problems faced in e-banking services. Hence, the calculated value greater than table value. So the research hypothesis rejected and the null hypothesis accepted.

Kruskal-Wallis Test

Difference between name of bank of the respondents and their various problems faced in e-banking services

Sl.no	Name of Bank	Mean Rank
1	**Inadequate knowledge about the usage of e-channels**	
	Canara Bank (n=50)	272.08
	SBI (n=50)	284.32
	IOB(n=50)	259.68
	IB(n=50)	257.73
	Bank of India(n=50)	275.81
	KVB(n=50)	227.28
	LVB(n=50)	237.16
	ICICI(n=50)	244.31
	CSB(n=50)	220.95
	Federal Bank(n=50)	225.68
2	**Unsuitable location of ATMs**	
	Canara Bank (n=50)	240.02
	SBI (n=50)	248.62
	IOB(n=50)	270.19
	IB(n=50)	230.84
	Bank of India(n=50)	270.74

	KVB(n=50)	238.21
	LVB(n=50)	239.88
	ICICI(n=50)	266.60
	CSB(n=50)	261.67
	Federal Bank(n=50)	238.23
3	**No of ATMS not sufficient**	
	Canara Bank (n=50)	296.94
	SBI (n=50)	255.88
	IOB(n=50)	206.93
	IB(n=50)	238.41
	Bank of India(n=50)	241.36
	KVB(n=50)	260.08
	LVB(n=50)	253.85
	ICICI(n=50)	250.30
	CSB(n=50)	258.03
	Federal Bank(n=50)	243.22
4	**Poor network**	
	Canara Bank (n=50)	266.56
	SBI (n=50)	232.36
	IOB(n=50)	232.02
	IB(n=50)	244.24
	Bank of India(n=50)	211.19
	KVB(n=50)	270.85
	LVB(n=50)	225.13
	ICICI(n=50)	306.42
	CSB(n=50)	251.42
	Federal Bank(n=50)	264.81
5	**Lack of interest from customers**	
	Canara Bank (n=50)	282.45
	SBI (n=50)	264.05
	IOB(n=50)	218.08
	IB(n=50)	285.92
	Bank of India(n=50)	215.26
	KVB(n=50)	241.03
	LVB(n=50)	259.41
	ICICI(n=50)	216.99
	CSB(n=50)	266.93
	Federal Bank(n=50)	254.88
6	**Pass word forgotten**	
	Canara Bank (n=50)	255.94
	SBI (n=50)	243.74
	IOB(n=50)	218.84
	IB(n=50)	227.84
	Bank of India(n=50)	216.72
	KVB(n=50)	258.03
	LVB(n=50)	263.72
	ICICI(n=50)	270.43
	CSB(n=50)	265.65

	Federal Bank(n=50)	284.09
7	**Card misplaced**	
	Canara Bank (n=50)	235.75
	SBI (n=50)	260.74
	IOB(n=50)	252.93
	IB(n=50)	266.51
	Bank of India(n=50)	238.99
	KVB(n=50)	244.81
	LVB(n=50)	264.03
	ICICI(n=50)	256.40
	CSB(n=50)	242.74
	Federal Bank(n=50)	242.10
8	**Misuse of card and frauds**	
	Canara Bank (n=50)	252.77
	SBI (n=50)	239.21
	IOB(n=50)	240.22
	IB(n=50)	248.14
	Bank of India(n=50)	245.22
	KVB(n=50)	265.41
	LVB(n=50)	242.03
	ICICI(n=50)	251.03
	CSB(n=50)	272.38
	Federal Bank(n=50)	248.59
9	**Lack of confidence**	
	Canara Bank (n=50)	237.67
	SBI (n=50)	250.43
	IOB(n=50)	231.09
	IB(n=50)	226.12
	Bank of India(n=50)	269.04
	KVB(n=50)	258.44
	LVB(n=50)	240.94
	ICICI(n=50)	280.94
	CSB(n=50)	259.63
	Federal Bank(n=50)	250.70
10	**Technical hurdles of ATMs and smart card**	
	Canara Bank (n=50)	305.19
	SBI (n=50)	229.18
	IOB(n=50)	261.66
	IB(n=50)	259.36
	Bank of India(n=50)	231.10
	KVB(n=50)	229.18
	LVB(n=50)	239.90
	ICICI(n=50)	268.82
	CSB(n=50)	232.93
	Federal Bank(n=50)	247.68

Test Statistics (a,b)

	Inadequate knowledge about the usage of e-channels	Unsuitable location of ATMs	No of ATMS not sufficient	Poor network	Lack of interest from customers	Pass word forgotten	Card misplaced	Misuse of card and frauds	Lack of confidence	Technical hurdles of ATMs and smart card
Chi-Square	11.226	5.079	10.998	17.775	16.107	11.846	2.794	3.331	8.010	13.980
df	9	9	9	9	9	9	9	9	9	9
Asymp. Sig.	.261	.827	.276	.038	.065	.222	.972	.950	.533	.123

a Kruskal Wallis Test
b Grouping Variable: Name of your bank

The above table reveals that there is no significant difference between name of bank of the respondents and their various problems faced in e-banking services. Hence, the calculated value greater than table value.

Research hypothesis

There is a significant difference between name of bank of the respondents and their various problems faced in e-banking services.

Null hypothesis

There is no significant difference between name of bank of the respondents and their various problems faced in e-banking services.

Statistical test

Kruskal Wallis test was used the above hypothesis

Findings

The above table reveals that there is no significant difference between name of bank of the respondents and their various problems faced in e-banking services. Hence, the calculated value greater than table value. So the research hypothesis rejected and the null hypothesis accepted.

Findings

1. out of the total respondents who were using e-banking services, three fourth (75%) of respondents were male and one fourth (25%) were female. It is inferred that compared to female respondents male respondents are using the e-banking services in a frequent manner.

2. out of the total respondents using e-banking services a vast majority number (41 %) of respondents belong to the age group between 36 to 45 years. Exactly one fourth (25 percent) of the respondents belong to the age group of 46 to 55 years. Nearly one fourth (24 percent) of the respondents belong to the age group of 26 to 35 years, 5.4 percent of the respondents belong to the age group of 56 years and above and 3.8 percent of the respondents belong to below 25 years age group.

It is inferred that maximum no of respondents belonging to the age group of 36 to 45 years are using the e-banking services.

3. out of the total respondents using e-banking services a maximum (45%) of respondents belong to salaried class, 23.6 percent are professional group , 21 percent of respondents are businessmen , 5.4 percent are agriculturist and 5 percent belong to other occupational group. It is inferred that e-banking services mostly been utilized by salaried class people. Awareness level of e-banking services next prevails with professionals. 23.6 percent of respondents are using e-banking services and 21 percent of respondents who are using e-banking services are businessmen.

4. Among the total respondents using e-banking services 52.2 percent of respondents were postgraduates 22.6 percent of respondents were professionals 15.8 percent of respondents were graduates and 9.4 percent of respondents were below higher secondary.

It is inferred that compared to other educational class people who have qualification of post graduation utilize the e-banking services to the maximum.

5. Out of the total respondents a maximum (86.8%) of respondents belong to urban area and 13.4 percent belong to rural area. It is inferred that e-banking services been mostly used by people living in the urban area.

Conclusion

It was established that there is a direct relationship between technology and service quality in the banking industry. This was made possible through the use of correlation analysis, percentage , mean, kruskal-Wallis test , Mann- whitney test, 't' test, and one way ANOVA. The use of technology in the banking enhances the service offering to customers. The e-banking customers seem to be quite satisfied the services of the e-banking though they are facing the problems of inadequate knowledge about the usage of e-channels, unsuitable

location of ATMs, No of ATMs not sufficient, Poor network, Lack of interest from customers, pass word forgotten, card,

Suggestions

1. The banks can necessary steps to kindle the knowledge about the methods of using e-banking services.

2. Necessary steps to be taken by the banks to increase the speed of e-banking services with perfect network connection.

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ENFORCEMENT OF CONSUMER RIGHTS AND GOVERNMENT INITIATIVES IN INDIA: STRIVING TOWARDS MAKING THE CONSUMER A KING

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Abstract

There are laws for the protection as well as the enforcement of consumer rights but generally consumers not have taken much recourse for their protection under these laws because these laws of dilatory and technical legal procedure. Sometimes, consumers are ignorant of the laws for their protection and sometimes they are quite non ignorant of the laws for their protection and sometimes they are quite non-serious about the ultimate effects of these things on them and society at large. The law is no needed where the people are perfectly honest. The Ministry of Consumer Affairs, Food and Public Distribution to protect the rights of consumers, promote standards of goods and services as well as for redressal of consumer grievances. It has been undertaking 'National Action Plan for Consumer rights Awareness and redressal and Enforcement of Consumer Protection Act, 1986' for consumers' protection and creating awareness among them. It is operating Consumer Welfare Fund which aims to provide financial assistance for promoting and protecting the welfare of the consumers as well as strengthening the voluntary consumer movement in the country. The power of citizens in forcing governments and the private sector to sit up and take action cannot be ignored or brushed aside. It is with this belief that Citizen consumer and Civic Action Group(CAG) has developed into a strong and committed demand side institution, grounded in critical policy analysis and research.

The specific activities as part of research include analysing policy initiatives of both government and private sector in the context of their impacts on citizens, studies focussed on gauging and enhancing public thought and opinion and engaging in research and discussion on contemporary issues of importance. Some of CAG's studies have assisted in the development of citizen-friendly policy prescriptions in local and global fora. Through this paper we will analyse the government initiative to enforce consumer rights and their protection. It will discuss also problems of enforcement of these rights and shortcoming of government policies to enforce the consumer rights in India.

Key words: Consumer Rights, Consumer Protection Act, 1986, Consumer Awareness, Legislative Measures . Government Initiatives.

Introduction

The process of development along with the globalisation liberalisation and privatisation has increased the number of consumer rights issues, but consumer feels unprotected and unaware of new products and services. New players and MNCs are introducing of new products and services. Due to which marketing for the consumer is becoming more complex, particularly in rural sector where a big segment of the population is residing. In our country with an enormous population along with comparatively high level of poverty, unemployment and poor literacy levels consumer rights awareness and enforcement continue to remain low. The consumer has been made to compromise with enormous substandard products and services, adulterated food short weights and measures, wrong description in advertisement, exorbitant prices, endemic shortages leading to back marketing and profiteering, unfulfilled manufacturing guarantee and a host other ills. The consumers are the largest economic group in our country, affecting and affected almost every public and private economic decision. But they are also the only important group who are not effectively organised, whose views are not heard but also suffer the biggest injustice due to immoderate delay in disposal of complaints by the

consumer courts operating the country. Today, a consumer needs protection with equality of power and redress against these forces. No doubt legal remedy to consumer problems is one of the best methods, but it has several limitations mainly due to inefficiency and vulnerability of our investing and enforcing agencies. There is no doubt there are several laws for the benefit of the masses against exploitation, cheatingetc, but they are not implemented effectively.

The object of this paper is to analyse the existing policies of the government to protect the interest of the consumer and what extent the enforcement of consumer rights in India. What are the problem exist in the society, due to this these rights are not enforcing in desirable manner.

Consumer Rights in India

The importance of consumer rights lies in their enforceability, which in turn depends largely on level of consumer education and awareness. In other words, it is not enough to have dynamic consumer laws in the country. There must be an equal thrust on education of all citizens on the consumer rights available to them and the mechanisms through which these rights, if violated can be redressed. The rights of consumer which are being sought to be promoted and protected.

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Through the legislative mandate available under the *Consumer Protection Act*, 1986 inter- alia include:

(a) The right to be protected against marketing of goods and services which arehazardous to life and property;

(b) The right to be informed about the quality, quantity, potency, purity,standard and price of goods or services, as the case may be to protect theconsumer against unfair trade practices;

(c) The right to be assured, wherever possible to access to variety of goods andservices at competitive prices;

(d) The right to be heard and to be assured that consumers interests will receivedue consideration at appropriate fora;

(e) The right to seek redressal against unfair trade practices or restrictive tradepractices or unscrupulous exploitation of consumers; and

(f) The right to consumer education[1]

From all these rights, it is the right to consumer education that can be said to beof paramount importance, since this is the gateway through which all the rights can besecured. An aware consumer not only protects his own rights but also induces efficiencyin the economy which enables a country to become globally competitive

Legislative Measures on Consumer Protection

There are several provisions incorporated in several Acts to protect the interests of consumers. Such Acts are:

a) *The Sale of Goods Act*, 1930;

b) *The Indian Contract Act*, 1872;

c) *Agricultural Produce, (Grading and Marketing) Act*, 1937;

d) *Drugs and Cosmetics Act*, 1940;

e) *Drugs (Control) Act*, 1950;

f) *Drugs and Magic Remedies (Objectionable Advertisements) Act*, 1954;

g) *Prevention of Food Adulteration Act*, 1954;

h) *Essential Commodities Act*, 1955;

i) *Essential Services Maintenance Act*, 1968;

j) *Trade and Merchandise Marks Act*, 1968;

k) *Standards of Weights and Measures Act*, 1976;

l) *Bureau of Indian Standards Act*, 1986;

m) *The Monopolies and Restrictive Trade Practices Act*, 1969; etc.

However all these Acts fail to protect the consumer in full satisfaction there are defects. They contain provisions tedious litigations expensive, time delayed procedures in civil and criminal courts. The traders are full trained in tackling the innocent and untrained consumers. In 1983, the General Assembly of United Nations adopted certain guidelines for protecting the consumers. In 1985 it also adopted a resolution requesting the member states to formulate the Acts for the protection of consumers and educate them.[2] Inspired by it the Indian Parliament enacted *Consumer Protection Act,* 1986,

Consumer Protection Act, 1986

To provide steady and simple redressal to consumers' disputes, a quasi-judicial machinery is sought to be set up at the district, state and central levels. The quasi-judicial bodies will observe the principles of natural justices and have been empowered to give relieves of a specific nature and to award wherever appropriate compensation to consumers. Penalties for non-compliance of the orders given by the quasi-judicial bodies have also been provided.

The salient features of the Act are as follows:

1) The Act provides speedy redressal to consumer Redressal Forum in every district, a commission at the State level and the National commission at the Centre. The Forum in the District will have original jurisdiction to redress complaints up to claim of Rs. 20 lakh. The National Commission can entertain any claim for damages above Rs. 20 lakhs to 1 crore. The State Commission will be vested with appropriate Appellate and Revisional powers.

2) To promote voluntary consumer movement and to ensure involvement of consumers. The Bill provides for the establishment of Consumer Protection Councils in centre and the states. These Councils will have both non-official and official members. The objects of the Council will be to promote and protect the rights of the consumers.

3) It shall apply to all goods and classes of goods or all services or classes of services except those which are specially exempted by notification by the central government.

4) The provisions of the Bill shall be in additional to and not in derogation of any other law for the time being in force.

5) Necessary penal and punitive provisions have been corporate to ensure that the proposed legislation is effective in protecting consumers.

6) The complaint can be filed by a consumer or an organization being a society registered under the Societies Registration Act, or a company registered under the Companies Act, representing consumers or by the central or state government.

7) The complaint can be field on account of any unfair trade practices resulting in loss or damage, defect in the goods, deficiency in the services, prices charged in excess of the prices fixed by or under any law or displayed on the goods/packets

Definition of Consumers

Under CPA Consumer, means one who pays money for goods or services. In other words, a consumer is a specific person who pays money either for purchase of some goods or some service of other persons, individual or corporate body. The definition under CPA does not include a person who obtains such goods for resale or for any commercial purposes. But "Commercial purpose" uder sub-clause (i) above does not include use by a consumer of goods bought and used by him exclusively for purpose of earning his livelihood, by means of self-employment.[3]

Service

Service Means of any description which is made available to potential users and includes the provision of facilities in connection with banking, financing, insurance, transport, processing supply of electrical or other energy, boarding or lodging or both, housing construction, entertainments, amusement or the news or other informa-tion, but does not include the rendering of any service free of charge or under a contract of personal service.[4]

Consumer Disputes

Consumer dispute is a dispute which arises out of a denial of allegation complained in a complaint by the person against whom such complaint has been made. For definition of the term 'Complaint', it is an allegation in writing made by a consumer or a voluntary consumer association duly registered or by the central government or the state government. Disputes means a claim made by one part and denied by the other.[5]

Consumer Protection CouncilsCentral Council and State Councils

The *Consumer Protection Act,* 1986 sought to provide better protection to the interests of the consumes and for that purposes made provision for the establishment of Consumer Protection Councils and other authorities for resolving consumers' disputes. The Consumer Protection Councils would be set up at national and state levels.[6]

Complaint

Complaint means any allegation made in writing by the complainant that-

- As a result of any unfair trade practice adopted by any trade, he has suffered loss or damage.

- The goods mentioned in the complaint suffer from one or more defects.

- The services mentioned in the complaint suffer from deficiency in any respect, and

- Price in excess of price fixed by or under any law for the time in force or displayed on the goods or any package containing such goods has been charged by a trader. The purpose of the complaint is to seek curtain relief.[7]

Procedure on receipt of Complaint

The District Forum shall on receipt of a complaint, if it relates to any goods, refer a copy of complaint to the opposite party mentioned in the complaint directing him to give his version of case within a period of 30 days or such extended period not exceeding 15 days as may be granted by the District Forum. Where the opposite party denies or disputes allegation or omits or fails to take any action within the time given, the District Forum shall proceed to settle the dispute.Where the opposite party denies or disputes the allegation or omits or fails to take any action to represent his case with in the time given by the District Forum, the District Forum shall proceed to settle the disputes on the basis of the evidence brought to the notice by the complainant and the opposite party. No proceeding complying with the procedure mentioned above shall be called in question on the ground that the principles of natural justice have not been complied with.[8]

Three-Tier Grievance Redressal Machinery

The Consumer Protection Act provides for a three-tier consumer grievance redressal machinery, District Forums at the base, the State Commission at the middle level and the National Commission at the apex level. The redressal machinery is quasi-judicial in nature.[9]

Penalty under the *Consumer Protection Act,* 1986

Where a trader or a persons against whom a complaint is made or the complainant fails or omits to comply with any order made by the District Forum, the State Commission or the National Commission, as the case may be, such trader or person or complainant shall be punishable with imprisonment for a term which shall not be less than one month but which may extend to three years, or with fine which shall not be less than Rs. 2000/- but which may extend to Rs. 10000/- or with both. But the District Forum, the State Commission or the National Commission, as the case may be, if it is satisfied that the circumstances of the case so require, impose a sentence of imprisonment or fine, or both for a term lesser than the minimum term and the amount lesser than the minimum amount, specified in this section.[10]

Consumer Rights Awareness in India

The Government of India, the Department of Consumer Affairs is the focal point for different Departments and organizations to make the consumers awareof market realities as well as the rights of the consumers and the manner in which they can educate themselves and also enforce their rights. Accordingly, the „JagoGrahakJago campaign has become immensely popular and is now being used by several Departments to communicate with consumers Increase in consumer rights awareness has propelled manufacturers and traders toensure quality service to consumers. Resultant to that number of cases filed in National,State Commission and District Forum have come down from total of 4040225 up to 6.11.2013Similarly, number of cases disposed 3678209 with disposal rate of 91.09% 0 during the same period.[11]The guidelines for Consumer Protection as laid down by the United Nations have been incorporated in the Consumer Protection Act, 1986. Though the consumer movement is slowly gaining ground in our country, it is still in its infancy as the success of consumer movement mainly depends upon the level of consumer rights awareness generated in the country by educating the consumers about their rights and responsibilities. Within India itself, the level of consumer awareness varies from State to State depending upon the level of literacy and the social awareness of the people. Educating more than 120 crores people of various categories of population, particularly those in rural areas where consumers are more susceptible to exploitation, on various subject matters of consumers interests being dealt by different Ministries / Departments, is a herculean task. For the 11th plan the scheme has received an allocation of Rs. 409 crores to launch an effective Multi- Media campaign.[12]

Enforcement of Consumer Rights and Government Initiatives

In a country like ours, given the scenario of economic disparity and level of education and ignorance, educating the consumers, remains a gigantic task. This calls for concerted efforts from every one. Government has taken up number of initiatives for creating consumer awareness in the country. The Consumer Awareness Scheme for the XIthPlan amounting to a total of Rs. 409 crores has been approved by the Cabinet Committee on Economic Affairs in January, 2008.The slogan 'Jago Grahak Jago' has now become a household name as a result of the publicity campaign undertaken in the last 5 years. Through the increased thrust on consumer awareness in the XIth Five Year Plan, the Government has endeavoured to inform the common man of his rights as a consumer. As part of the consumerrights awareness scheme, the rural and remote areas have been given top priority.[13]

Multi Media Publicity Campaign

Multi-media publicity campaign are being undertaken through print and electronic media on the issues that are directly relevant to the role of the Department such as ISI, Hallmark, Labelling, MRP, Weights and Measures etc,. Each advertisement is released through a network of national as well as regional newspapers throughout the country. Simultaneously, major initiative are being launched wherein issues that have come into focus on account of new emerging areas such as telecom, real estate, credit cards, financial products, pharmaceuticals, Insurance, travel services, medicines etc. are under taken either through joint campaigns or joint consultations with the concerned Departments.The Department of Consumer Affairs has video spots of 30 seconds duration on various consumer related issues, which are being telecast through Cable and Satellite channels. Special programmes have also been telecast onLok Sabha TV and Doordarshan to highlight the issues relating to consumerrights awareness. Issues pertaining to rural and remote areas have been given prominence in the various advertisement spots.

Meghdoot Postcards

Consumer rights awareness messages are also being disseminated through Meghdoot Post cards in consultation with Department of Post to reach far-flung rural areas including North-East States. Posters carrying messages pertaining to consumer awareness have been displayed in 1.55 lakh Rural Post Offices and more than 25000 Urban Post Offices throughout the country.

National Consumer Helpline

The Department has launched a National Help Line. The toll free number 1800-11-4000 facility is available to consumers from 9.30 A.M. to 5.30 P.M. on all the working days.

Core Centre

The Department has launched on March 15, 2005 Consumer on Line Resources and Empowerment (CORE) Centre on the website www.core.nic.in for consumer advocacy and online redressal of consumer grievances. Through the various advertisements relating to consumer rights awareness, adequate publicity is being given to the activities of CORE and its website so that consumers can take the help of online counselling/ guidance being provided through it.[14]

Participation in India International Trade-Fair-2010

Exhibitions and Trade Fairs are also used as a tool for showcasing the consumer rights awareness initiatives

of the Govt. The Department participated in the India-International Trade Fair organised in New Delhi from 14th to 27thNovember, 2010. Thousands of visitors visited the 'Jago Grahak Jago' stall during the Trade Fair. Publicity brochures containing information about Consumer Fora, National Consumer Helpline, Grievance Redressal Mechanism and sector specific information such as on real estate, telecom, financial products etc. was distributed free of cost to the visitors during the Fair. The video advertisement spot as part of the 'Jago Grahak Jago' campaign was also run continuously to spread awareness on consumer issues among the visitors to the stall. Representatives of National Consumer Helpline were also deputed to provide on-the-spot guidance to the visitors during the Trade Fair. The Department also participated in an exhibition in Voorhees College, Vellore, Tamil Nadu in October, 2010.[15]

Use of Sports Events

In order to reach maximum number of consumers, the Department telecasted video spots containing consumer related information during the popular sports events where the audience interest is maximum like live cricket match etc.

Joint Publicity Campaign

As part of joint publicity campaign, various advertisements have been released on specific consumer issueslike real estate, credit cards, pharmaceuticals, insurance, food safety etc. to educate consumers.[16]

Use of Internet to generate Consumer Rights Awareness

Realizing that more than 70% population under the age of 35 years are using the internet in a big way, a major initiative is being taken to spread consumer awareness through the internet. All the print advertisements as well as the Audio Video spots of the Department have been uploaded on the website of the Ministry i.e.www.fcamin.nic.in.

Special Scheme on Assistance to State Governments/UTs

Considering the fact that active involvement of State Governments in awareness campaign is crucial in taking forward the movement to rural, remote and backward areas, the involvement of the State/ UT administration has been given prominence in spreading the message of consumer awareness. Grant-in-Aid has been given to the States/UTs for carrying out consumer awareness activities in the local media using the local language and emphasis has been made on involving Panchayati Raj institutions in the consumer awareness campaign.[17]

Advertisements in journals of Publication Division

The Department has entered into a tie-up with Publication Division under the Ministry of Information & Broadcasting for displaying advertisements in the journals brought out by theDivision such as Yojana, Kurukshetra, Bal Bharti, Aajkal and their regional editions. Focussed articles on consumer awareness are also being published in these magazines keeping in view their target readership.

Collaboration with Gmbh for Technical Support

The Govt. has collaboratedwithDeutsche Gesellschaft Fur Technische Zusammenarbeit (GTZ) for providing technical support regarding production and development of publicity material. Under the GTZ Project, advertisement spots pertaining to electronic media in the areas of MRP and consumer awareness regarding unhealthy trade practices were produced. Under the Indo-German technical cooperation the publicity material published by the Department has also been analysed and suggestions for new publicity materials have been identified.A 'Consumer Diary' is also being brought out under this Project.

Concurrent Evaluation of Publicity Campaign

A comprehensive survey was undertaken by Indian Institute of Mass Communication (IIMC) covering 12 States and 144 districts in the country. The survey revealed that about 62.56 per cent respondents from both rural and urban areas were found to be aware of the publicity campaign run by the Department. Findings of the IIMC survey have been duly considered and incorporated while finalising the Media Plan for undertaking consumer awareness activities. Mid-term evaluation of the campaign has also been carried out by an empanelled agency of the Planning Commission and the study report has come out with encouraging reports regarding the Jago Grahak Jago Campaign.

Proactive Legislation for Consumer Protection

In consonance with the special emphasis placed by theDepartment of Consumer affairs and Public Distribution on the development of legal metrology in the country, a comprehensive Legal Metrology Bill has been enacted to replace the Standards of Weights and Measures Act, 1976 and the Standards of Weights and Measures (Enforcement) Act, 1985. It intends to further simplify the requirements of weights and measures in inter-state trade, optimum utilisation of existing legal metrology infrastructure in the country and provide for personnel who are better attuned to the ever changing requirements, to handle the subject of legal metrology in the States/UTs.[18]

National Consumer Protection Authority

Another important policy initiative by the Department is a proposal for setting up a National Consumer Protection Authority, which would be a proactive body empowered to take suo moto action for better protection of the interests of the consumers in general. This Department is also in the process of framing a 'National Consumer Policy' which would shape the future of consumer movement in the country. Under this policy, it is proposed to attune the consumer movement in the country with the United Nations Guidelines on Consumer Protection.

Up gradation of Standards

In helping the consumer to exercise their rights, quality and standards have a crucial role to play. Standards provide consumers with reliable benchmarks of quality. Quality consciousness is not yet a way of life in India as it is in the West, the Department has succeeded in putting in place an economic framework to promote quality. The BIS has taken new initiatives in introducing a certification scheme for foreign manufacturers and imported goods, food safety certification as per ISO Standards. Certification Scheme for Hallmarking of Gold jewellery and Silver artefacts is an important contribution of BIS in safeguarding consumer interests.[19]

Conclusion& Suggestion

The government has attempted to safeguard consumer's rights through legislations and the CPA 1986 is considered as the most progressive statute for consumer protection. Procedural simplicity and speedy and inexpensive redressal of consumer grievances as contained in the CPA are really unique and have few parallels in the world. Implementation of the Act reveals that interests of consumers are better protected than ever before. However, consumer awareness through consumer education and actions by the government, consumer activists, and associations are needed the most to make consumer protection movement a success in the country. The efficient and effective programs of consumer protection are of special significance to all of us because we all areconsumers. Even a manufacturer or provider of service is a consumer of some other goods or services. If both theproducers/providers and consumers realize the need ofcoexistence, adulterated products and spurious goods and otherdeficiencies in the services would become s thing of past. Theactive involvement and participation from all quarters i.e. theCentral and State Governments , the educational institutions, theNGO s , the print and electronic media and the adoption andobservance of a voluntary code of conduct by the trade andindustry and the citizen s charter by the service providers are necessary to see that the consumers get their due. The need of the hour is for total commitment to the consumer cause and socialresponsiveness to consumer needs. This should, however, bedone in a harmonious manner so that our society becomes a better place for all of us to live in. The evolution of consumer redressal agencies reveals mixed pattern of success and failures. No doubt these bodies have been active and within the constraints given far reaching relief to the consumers in a number of cases. The enforcement of consumer rights is not satisfactory negates the very purpose of setting up these quasi – judicial bodies can be corrected by under taking following measures:

1. Consumer forums should be established at Block and Tehsil level to decide complaints pertaining to consumer rights.

2. The consumer disputes and complaints should also be redressed by pre-litigation, negotiation, cancelling etc.

3. The Guidance and counseling units may be arranged within the premises of Forum to assist the consumers in filing their complaints.

4. The Consumer Redressal Agencies order should be equipped with the personnel for execution of their orders, and in this way the necessity of depending on Civil or Criminal Courts would be obviated.

5. The strength of members of courts should be increased and the Chairman may be appointed from active service.

6. The Courts should be given more teeth and their meetings may be held, on certain days, at block level to provide justice at the door step. For this purpose, mobile consumer courts may be setup.

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A STUDY ON RECRUITMENT AND SELECTION IN HAL, BANGALORE

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Abstract

Human resource is the total knowledge abilities, skills, talents and aptitudes of an organization's workforce. The values, ethics, beliefs of the individuals working in an organization also from a part of human resource an important element of human resource management is the human approach while managing people. The aim of personnel planning is to determine the need for person both in terms of numbers & type. For deciding about the number both present & future requirements should be taken into account. If there are expansion plans in near future then these requirements should also be considered. Besides number, the number, the type of persons needed is also important. This will be decided by studying the job requirements etc., The education & technical requirements to manage various jobs should be properly analyzed so that right type of persons are employed. Recruitment is sometimes confused with employment. The two are one & the same. Recruitment is just one step in the process of employment. Similarly recruitment & selection process. Recruitment is concerned with developing suitable techniques for attracting more & more candidates while selection is the process of finding out the most suitable candidate for the job. This paper focuses on the recruitment and selection in HAL focusing on the sources of the recruitment, selection tests and procedures.

Keywords :- Human resource, Recruitment, Selection Etc

Background of the Study

Human resource management means employing people, developing their resources, utilizing, maintaining & compensating their services in tune with the job & organizational requirements with a view to contribute to the goals of the organization, individual & the society.

Definition of HRM

Michael j.jucius defined Personnel Management as "the field of management which has to do with planning, organizing, directing & controlling the functions, of procuring, developing, maintaining & utilizing a labour force, such that the

(a) Objectives for which the company is established are attained economically & effectively.

b) Objectives of all levels of personnel are served to the highest possible degree,

c) Objectives of society are duly considered & served

Human resource is the total knowledge abilities, skills, talents and aptitudes of an organization's workforce. The values, ethics, beliefs of the individuals working in an organization also from a part of human resource an important element of human resource management is the human approach while managing people.

Introduction to the Topic
Recruitment

According to **EDWIN B. FLIPPO**, "Recruitment is the process of searching for prospective employees & stimulating & encouraging them to apply for jobs in an organization".

Sources of Recruitment

1. Internal sources
2. External sources

Internal sources

Internal sources are one of the important sources of recruitment. These employees are already working in the organization more suitable for higher jobs than those recruited from outside. The present employees may help in the recruitment of new persons also.

Internal sources consist of the following:-

1. Present Employees
   a. Transfer:
   b. Promotions:
   c. Employee Referrals
2. Former Employees
3. Previous Applicants and so on.

External Sources

Every enterprise has to use external sources for recruitment to use external sources for recruitment to higher positions, when exiting employers are not suitable. More persons are needed when expansions are undertaken. External methods are discussed as follows:

1. Advertisement
2. Employment Exchange
3. Professional Organizations
4. Data Banks:

[1]. Assistant Professor, St. Claret College, Jalahalli, Bangalore
[2]. HOD, Vivekananda Degree College , Rajajinagar, Bangalore

5. Labor contractors:
6. Campus Recruitment
7. Walk-ins, Write-ins & Talk-ins Selection

Selecting a suitable candidate can be the biggest challenge for any organization.

According to Dale Yoder "Selection is the process in which candidates for employment are divided into 2 classes- those who are to be offered employment & those who are not." The success of a sales organization largely depends on its staff selection of the right candidate builds the foundation of any organization's success & helps in reducing turnovers.

Research Design

HAL is spending a tremendous amount of time & money in Recruitment & Selection process. This problem is to see whether they are satisfied with the overall recruitment & Selection process in HAL & to make recruitment & selection process more effective.

Objective of The Study

1) To study the recruitment process adopted in the organization in general.
2) To suggest the necessary changes to be made by the company for effective recruitment
3) To know the rules adopted in recruitment process.
4) To gain the knowledge of consultancy industry
5) To study the role of human resource department in the implementation of head hunting facilities

Scope of the Study

The study of acquaints the knowledge of the procedure, growth, advancement of the recruitment & selection process at HAL the process includes how the company recruits & selects the right job on the basis of certain selection criteria.

The study conducted at HAL targeted the employees as to find out the Impact of Recruitment & Selection its importance, needs & execution, introduction with the various department backed by the structures questionnaire was the main sources of collection of the data.

Initially, the study relied more on the research area that is in collecting information. The study also covers the tools & new techniques to improve recruitment & selection process, which process which helps increase morale, motivation & to extract the performance from the employees or the better utilization of Human Resource in an organization.

Research Methodology

Survey method is used for collecting data Questionnaires were prepared for staff and workers and approached them personally.

Sampling Plan

1) Sample unit
2) Sample size

Sample unit

The sample consists of staff and workers from all the departments.

Sample size

The actual sample size consists of 50 respondents from staff and workers.

Sources of Data

Data can be collected from two sources namely

Primary sources

A formal & informal meeting was conducted with human resource manager of the company to elicit more information. A structured open & closed ended questionnaire also helped to acquire more information

Secondary sources

Secondary data was gathered by the following sources;

(a) Company records and annual reports
(b) Through Internet
(c) From Magazines
(d) From other publication

Tools for Data Collection

Questionnaires were used to collect the primary data.

Secondary data was collected from interest and magazines to get an overview of the entire system.

Data Analysis and Interpretation

Table : 1 Showing How Did The Employees Came To Know About The Vacancy In Hal

PARTICULARS	NO OF RESPONDENTS	PERCENTAGE
INTERNET	2	4%
ADVERTISMENT	7	14%
FRIENDS	1	2%
EMPLOYMENT EXCHANGE	40	80%
TOTAL	50	100%

Analysis

From the above **table : 1**, I came to know that 80% of the respondents came to know about the vacancy through employment exchange, 14% of the respondents came to know through advertisement, 4% of the respondents came through internet & 2% came to know through friends.

Graph : 1 Showing How Employees Came To Know About the Vacancy In Hal
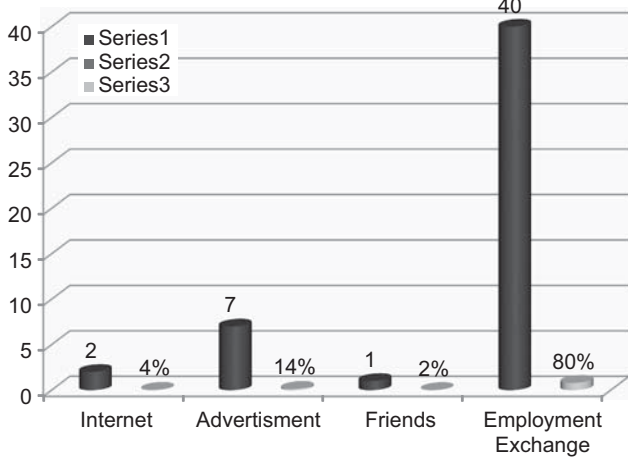
Inference

From the above **graph : 1** it is inferred that most of the respondents came to know through EMPLOYMENT EXCHANGE.
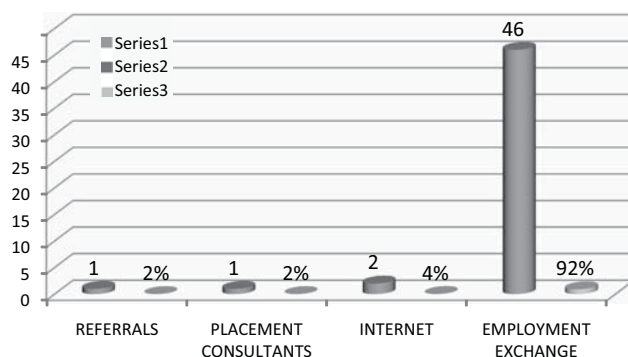
Table : 2 Showing How the Respondents Apply For the Job In HAL

PARTICULARS	NO OF RESPONDENTS	PERCENTAGE
Referrals	1	2%
Placement Consultants	1	2%
Internet	2	4%
Employment Exchange	46	92%
Total	50	100%

Analysis

From the above **table : 2**, I came to that 92% of the respondents applied through EMPLOYMENT EXCHANGE, 4% of the respondents applied through INTERNET, 2% of the respondents applied through placement consultants & 2% through Referrals.

Graph : 2 Showing How The Employees Applied For The Job In Hal

Inference

From the above **graph : 2** it is inferred that majority of the respondents applied through EMPLOYMEMT EXCHANGE.
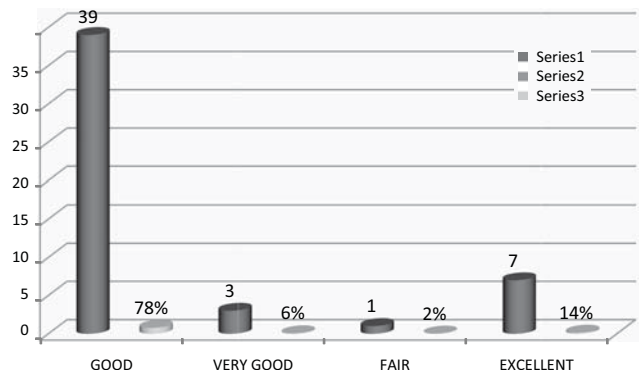
Table : 3 Showing How Did The Respondents Feel About The Recruitment Procedure In Hal

PARTICULARS	NO OF RESPONDENTS	PERCENTAGE
GOOD	39	78%
VERY GOOD	3	6%
FAIR	1	2%
EXCELLENT	7	14%
TOTAL	50	100%

Analysis

From the above **table : 3**, I came to know that 78% of the respondents feel good, 6% of the respondents feel very good, 2% of the respondents feel fair & 14% of the respondents feel satisfied with the recruitment procedure in HAL.

Graph : 3 Showing How Did The Respondents Feel About The Recruitment Procedure In Hal

Inference

From the above **graph : 3** it is inferred that the majority of the respondents feel good about the recruitment procedure in HAL.
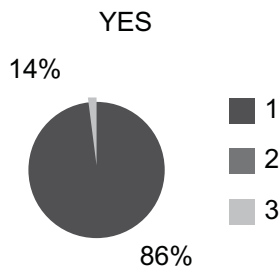
Table : 4 Showing Employees Were Aware of Selection Policies of The Company At The Time of Recruitment

PARTICULARS	NO OF RESPONDENTS	PERCENTAGE
YES	43	86%
NO	7	14%
TOTAL	50	100%

Analysis

From the above **table : 4**, I came to know that 86% of the respondents agree that they were aware of selection policies in HAL & 14% of the respondents Say's that they were not aware about the selection policies in HAL.

Graph : 4 Showing That Were Employees Aware of Selection Policies In Hal

YES

14%

86%

■ 1
■ 2
■ 3

Inference

From the above **graph : 4** it's inferred the majority of the respondents agree that they were aware about the selection policies of the company at the time of recruitment.

Table : 5 Showing On What Basis Respondent Has Been Selected

PARTICULARS	NO OF RESPONDENTS	PERCENTAGE
Qualification	41	82%
Work Experience	4	8%
Good Per Formance Record	0	0%
Both Qualification & Work Experince	5	10%
Total	50	100%

Analysis

From the above **table : 5**, I came to know that 82% of the respondents are selected on the basis of QUALIFICATION, 8% of the respondents are selected on the basis of WORK EXPERINCE & 10% of the respondents are selected for both QUALIFICATION & WORK EXPERINCE.

Summary of The Findings

- It is observed that percentage of male employees in HAL is 90% & female employees are 10%
- It is observed that the age profile of employees in HAL is 80% are below the age group below
- It is observed that majority of the employees in HAL that is 80% respondents applied through Employment Exchange. 4% of the respondents applied through Internet. 14% respondents applied through Advertisement. Others like Referrals & Placement consultants.
- HAL is the major producer of aircrafts & defense equipment to Indian air force.
- The company includes well Qualified Professionals including engineers, technical Professionals, Finance experts, Human Resource personals, Management trainees & ITI professionals.
- The organization culture is such that it encourages collective understanding of the employees. It provides the degree of responsibility and freedom to an individual which gives the employees the feeling of acceptance.

Conclusions

- It can be concluded from analysis that the respondents are 50. Most of the respondents belong to the age group 20-30 years. The main source of awareness about the Recruitment in HAL is Employment Exchange. HAL is recruiting the persons on the basis of Qualification & Work Experience.
- Mainly Group interview is done for selecting the employees. In HAL the employees are mostly going through Single or one Round Interview.
- Mainly the HAL is preferable for the person is due to Job Security. About 88% of the employees are moderately satisfied with the Recruitment process in HAL.
- The study conducted at HAL targeted the employees as to find out the impact of recruitment & Selection its importance, needs & execution, introduction with the various department backed by the structures Questionnaire was the main sources of collection of the data.
- Initially, the study relied more on the research area that is in collecting information. And study also covers tools & new techniques to improve recruitment & selection process.

Recommendation And Suggestion

- The interpersonal development training has to be impacted for all the staff.
- Paper work has to be reduced.
- The delay in issue of appointment order & final offer of appointment to the selected candidates who got through the written & viva should be sent on time.
- The head of the department/ administration should conduct a meeting twice a month & to execute the

decision taken to get the feedback from the employee regarding the decision.

- The head of the department should involve the subordinates while taking any decision.

- The recruitment placement can be done accordingly "RIGHT JOB

❖ TO RIGHT PERSON"

- In addition to the existing practice of practical test, written test & Formal interview, some more test as detailed below may fetch the organization in selecting "Right job to Right person" and to give result in retaining the candidate.

❖ Aptitude Test

➢ Intelligence Test

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APPLICATION OF LEARNING CURVE IN IMPROVING LABOUR PRODUCTIVITY

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Abstract

Productivity indicates the overall efficiency of the organization. Michael Porter of Harvard University states that the principal goal of a nation is to produce high standard of living for its citizens. it depends on the productivity with which the resources are employed. Productivity is often confused with production. Higher production does not mean higher productivity. It can be achieved only by better utilization of resources. Though the Indian textile industry has highest spindlage in the world, India's per capita consumption of cloth is extremely low. The productivity measurement of N.T.C.gains importance in understanding its economic viability. At the time of take over and Nationalization the mills were sick and closed. Therefore the corporation entrusted with the responsibility of nursing these units back to health. The old and obsolete machinery were replaced with latest machinery. The planned modernization put the mills on firm grounds. The corporation is giving more thrust to achieve the designated objectives. The cost of production is still high due to high wage cost , power cost etc.the revival plan contemplates strategic decisions and capital restructuring etc. The sale of surplus land could be utilized to repay the high interest bearing liabilities. The proposal to sell surplus land was included in the revival plan. To make the industrial relations cordial, workers participation in management, employee suggestions had been implemented. Indian textile industry contributes the Indian economy through generation of employment, output and export earnings. the discoveries of various synthetic fibers like nylon created a wide market for textile products. Indian textile enjoys a rich heritage and traces back to the Indus valley civilization India is the biggest yarn exporter with a share of 28%of world market .for every job it is necessary to train or retrain the worker to perform the task with skill and ability. The relationship between practice time and speed of work is shown graphically in a curve which is known as learning curve .It has many uses. it is applied to people to improve their performance of certain tasks. it is applied to direct labor, reject and defective products and overheads

Introduction

Productivity stands for composite efforts of all the factors contributing to production. So productivity indicates the overall efficiency of the organization. The usefulness of productivity indices has been recognized in all industries around the world. Michael Porter of Harvard University says the only meaningful concept of competitiveness at the national level is productivity. Further, he states "the principal goal of a nation is to produce a higher and rising standard of living for its citizens. The ability to do so depends on the productivity with which a nation's labour and capital are employed. A nation's standard of living depends on the capacity of its companies to achieve higher levels of productivity and to increase productivity over time in which a nation's labour".

Productivity Vs Production

Productivity is often confused with increased production. Higher production does not necessarily mean higher productivity. Higher productivity can be achieved only by better utilization of resources. Though higher productivity results in cost reduction and thus favours profitability and competitiveness, profitability is not a measure of productivity.

Textile Productivity in India

The World Bank mission on the Indian cotton textile industry states that the average production per spindle for 20s count is 84.5kg in India as against 196kg in Hong Kong and 204kg in the U.S. In weaving too, Indian textile productivity levels are substantially lower than in Hong Kong and Japan. Average production per spindle in India is about 40 percent of that in other countries and productivity per operative in automatic weaving in Hong Kong is about 280 percent higher than that in the comparable Indian.Though the Indian textile industry has perhaps the highest spindlage and loom age in the world. India's per capita consumption of cloth is extremely low and has been going down over the years.

Govt. Policies

The government's policy towards the National Textile Corporation (NTC) so far is not clear. The proposal for revival and modernization of NTC mills has for long been awaiting Cabinet approval. In this context, the productivity measurement of the National Textile Corporation (Tamil Nadu and Pondicherry), widely known as NTC (TN&P), the leading subsidiary of NTC, gains importance in understanding its economic viability. Productivity and profitability are closely related factors in the textile industry.

At the time of take over and nationalization, the mills were sick and closed. The corporation was entrusted with the responsibility of nursing these units back to health and put them on firm grounds. Soon after take over, the corporation invested about Rs.20crore on quick-yielding assets in order to put the mills on rails. The old and obsolete machinery available in the mills were

replaced with latest machinery in a phased manner at a cost of about Rs.1.30crore, which helped the corporation to improve its capacity utilization, productivity and introduce value added yarn and cloth. The planned modernization put the mills on firm grounds. Reaping the gains of modernization assisted by favourable marketing conditions, the corporation wiped out its entire losses and even declared dividends.

It could be said that the corporation was successful in shouldering the responsibility of nursing the sick units which were given to it. Thus, the corporation has been able to achieve the designated objectives. Corporation is giving more thrust on: (i) development of new products based on customers' needs and market demand, (ii) development of new markets for its products, (iii) customer satisfaction through consistent quality, and (iv) cut down of cost of production through cost reduction and cost control measures.

Capacity

The installed capacity of the mills under NTC is 31.83 lakh spindles and 29621 looms, whereas the commissioned capacity is 26.44 lakh spindles and 18593 looms.   Though the Corporation is trying to minimize its cost of production through several cost reduction measures, it is still remains high due to inheritant disadvantages like high wage cost, power cost, high capital cost etc.

The Corporation had proposed to implement the revival plan to induct adequate funds and to improve the net worth. The revival plan contemplates strategic decisions including disinvestment of 4 unviable mills, capital restructuring etc. in brief, the revival plan envisaged the following:

a. Disinvestment of 4 unviable Mills.

b. Sale of Surplus lands.

c. Capital restructuring.

d. Introduction of VRS for surplus labour.

The Revival Plan contemplates an investment of Rs.50.94 crore, which included inter-alia Rs.31.43 crore towards working capital margin and Rs.9.36 crore towards wages support during the period of implementation of the Revival Plan. The Revival Plan had been recommended by the Ministry of Textiles. Based on net worth analysis, the Corporation had found that only 6 Mills were capable of becoming viable within a short time frame.

Sale of Surplus Land

The Corporation has identified 41.27 acres of surplus lands in its various mills and these lands were likely to fetch about 53.81 crore on disposal as per the latest estimates based on the approved Guideline rates of the State Government. This money could be utilized to repay

the high interest bearing liabilities and also to augment the working capital position of the Unit Mills. The surplus lands were identified initially in the year 1983 and relevant data was subsequently updated taking into account the reduction/closing down of uneconomic activities.

When asked about the present status of the proposal for effecting the sale of surplus lands, the Committee were informed that the mode proposed to be adopted for effecting the sale of surplus lands was through public tender to be floated globally. The proposal to sell surplus lands was included in the Revival Plan submitted by the Corporation. On receipt of approval from the Government of India, necessary action would be taken to dispose off the surplus lands.

Industrial Relations

During the last 5 years, no lock-out was declared in the Corporation. However, due to local issues and industry-wide disputes, there were strikes for a few days in each year. On account of strike from 1995-96 to 2000-2001 there was loss of man-days as given below:

1995-96	16430
1996-97	13680
1997-98	50946
1998-2000	9450
2000-01	25956

During 1997-98, the loss of man-days due to strike was more because there was strike in all mills in connection with bonus demands. About the steps taken to make the industrial relations cordial in the company. It had been stated that workers participation in management scheme and employees suggestions scheme had been formulated and implemented. These schemes were helpful in bringing greater participation from the employee's side and a sense of satisfaction among them. All major issues concerning wage revision, bonus etc., were decided only after a detailed deliberations between the management and the unions.

Modernization

About the efforts made to modernize the existing production system to cope with the changing needs, the committee were informed that in the early years of the take over, the corporation invested about Rs.20crore on quick-yielding assets in order to put the mills on rails. The old and obsolete machinery available in the mills were replaced with latest machinery in a phased manner at a cost of about Rs.130 crore, which helped the corporation to improve its capacity utilization, productivity and to introduce value-added yarn and cloth, by availing financial assistance from All India Financial Institutions, viz., IDBI, IFCI and IIBI. The financial institutions abruptly stopped assisting further modernization plans of the

Corporation since 1992, taking the "group concept", even though the corporation had been regular in repaying its interest and principal and there was no overdues at the point of time. Since then no fruitful modernization was carried out in any of the unit mills. The Corporation would not be able to produce yarn and cloth with international quality parameters with the available infrastructure. Therefore, keeping in view the changing trends in the global scenario, it has been planned to invest a sum of Rs.31.43crore towards modernization machinery in the six unit mills identified for revival. This proposal for modernisation had been included in the Revival Plan submitted to the Government of India.

Mismatch between the money required to mount such massive operations and the limited money available with the Corporation resulted in payment of carrying charges. The carrying charges for 1995-96 was of the order of Rs.8.26crore. in order to bring down the carrying charges, the NTC (TN&P) was permitted to make private purchases upto a level of 40% of the requirement. This measure had helped in bringing down the carrying charges to the level of Rs.1.52crore in 2000-01.

India has been in the midst of a great social, political and economic change ever since reforms were introduced in various spheres of activity. The country has greater confidence to take on the competition from developed countries and has attracted global investors in ever increasing measure.

The Textile industry is one of the oldest industries in India. The sector has made significant contributions in terms of forex earnings and employment and is one of the mainstays of the economy. Indian Textile Industry occupies a very important place in the economic life of India. It contributes to the Indian Economy through generation of employment, output and export earnings. In the financial year 2006, it has been found out that the contribution of this industry amounts to 14% of the total output generation by the industrial sector. Indian Textile industry's contribution towards GDP has been estimated to be hovering around 4% which itself is a commendable one. Textile has been one of the main sources of income for the Indian economy through export. The total share of the Indian Textile Industry in the total earnings from export has been calculated to be 16.63%, as estimated by Ministry Of Textiles, India. This industry has shown the potential of being one of the largest employment generating industries of the Indian economy. On a direct basis, Indian Textile Industry employs a whooping thirty five million people and more. In terms of employment generation, textile industry has come up to the second position, just after agriculture.

History of Textile

The history of textile is almost as old as that of human civilization and as time moves on the history of textile has further enriched itself. In the 6th and 7th century BC, the oldest recorded indication of using fiber comes with the invention of flax and wool fabric at the excavation of Swiss lake inhabitants. In India the culture of silk was introduced in 400AD, while spinning of cotton traces back to 23000BC. In China, the discovery and consequent development of sericulture and spin silk methods got initiated at 2640 BC while in Egypt the art of spinning linen and weaving developed in 3400 BC. The discovery of machines and their widespread application in processing natural fibers was a direct outcome of the industrial revolution of the 18th and 19th centuries. The discoveries of various synthetic fibers like nylon created a wider market for textile products and gradually led to the invention of new and improved sources of natural fiber. The development of transportation and communication facilities facilitated the path of transaction of localized skills and textile art among various countries.

Indian Textile

Indian textile enjoys a rich heritage and the origin of textiles in India traces back to the Indus valley Civilization where people used homespun cotton for weaving their clothes. Rig Veda, the earliest of the Veda contains the literary information about textiles and it refers to weaving. Ramayana and Mahabharata, the eminent Indian epics depict the existence of wide variety of fabrics in ancient India.

These epics refer both to rich and stylized garment worn by the aristocrats and ordinary simple clothes worn by the common people. The contemporary Indian textile not only reflects the splendid past but also cater to the requirements of the modern times. It is the second largest employment provider and the biggest export earner accounting for nearly a third of the country's export earnings. It contributes Rs.7,000 crores annually as duties to the central Exchequer besides cess, State taxes and other taxes. The area under cotton cultivation is the largest in the world. The spinning capacity is the second largest

After China's. India has the largest hand weaving sector and a long tradition of producing some of the finest and costliest fabrics in the world. India is the biggest yarn exporter with a share of 28 per cent of the world market and is known for the quality of its fine count cotton yarns. The Indian garment sector is a supplier to the top brands the world over. It caters to the higher end of the market leaving the lower end to emerging countries though the

Indian weaving and processing sectors log behind in technology. Despite the glorious tradition of the textile industry, 3 government policies have been wreaking havoc in most segments by encouraging fragmentation.

Learning Curve

For every job the operator is to be trained. It is necessary to train or retrain the worker so that he can perform the task with sufficient skill the ability of the worker to learn and adopt to new methods is also a factor while deciding the extent of training required intelligent and experienced workers require lesser training while learning a new method the operator gathers speed quickly with practice the improvement will be there. The cycles of practice are plotted on the X axis and the time per cycle on the Y axis. The relationship between the practice time and speed of work is shown graphically in the following curve which is popularly known as learning curve

Uses of the Learning Curve

❖ Scheduling of work

❖ Training of labour

❖ Materials requirement planning

❖ Capital requirement planning

❖ Fixation of sale price
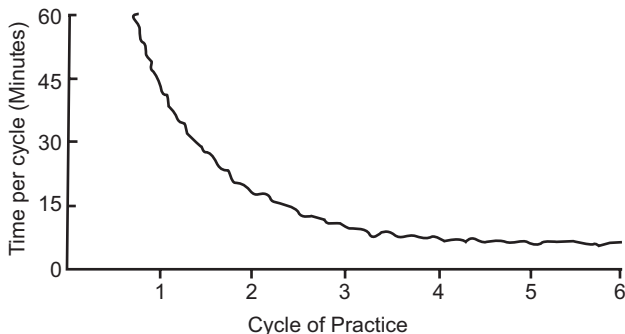
Application of Learning Curve

"The learning curve has to do with the ways people improve their performance of certain tasks" F.P.Kollarisch and R.P.Jordan.

Formula :-

$$\frac{L}{Q} = N \, (\square Q)^i$$

Where $\dfrac{L}{Q}$ = Labour input per unit of current output)^i

$\square Q$ = Accumulated past output

N = A constant

i = A constant < 1

The learning is usually applied to direct labour it may also be applied to rejects and defective products. Overheads are also affected by learning as they are related to direct labour. The learning effect was first discovered by T.P.Wright in 1936 and he attempted to analyse the factors affecting the cost of Aeroplanes.

Calculation of total labour time: Formula.

$$L = \frac{t + t(le) + t(le)^2 + t(le)^3 + \ldots t(le)^n}{1 - le}$$

Where   L = Labour hours

le = Labour effect i.e. rate of learning

t = Labour hours required in the first page

n = No. of batches

Calculation of total labour cost Formula:

$$T = \frac{Wt \, (1 - pn)}{1 - p}$$

Where   T = Total labour cost

W = Wage rate per hour

t = No. of hours required for the first batch

1 – p = Percentage time saved from one batch to next

n = No. of batches

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AN EMPIRICAL STUDY ABOUT IMPACT OF COMMUNICATION AND QUALITY CIRCLE ON JOB SATISFACTION IN MANUFACTURING COMPANIES, CHENNAI

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Abstract

Human Resource Management is measured as valuable asset in any business to retain employees and attain global competition. And Human Resource should be utilized to maximum possible extend in order to achieve individual and organizational goals. It is ultimately based on employee performance to achieve organizational goals; however employee performance is strongly influenced by motivation, communication, participation in management decision and other factors. But the main purpose of this study is to analysis the impact of employee communication and quality circle on job satisfaction. To serve the purpose, questionnaire used to determine effect of communication and quality circle on job satisfaction. The data collected from quality circle employees of three manufacturing companies in chennai and were analyzed through correlation and simple regression analysis. The finding suggests that both communication and quality circle have positive effect on job satisfaction. Finally the article gives some suggestions on how to improve job satisfaction through communication and quality circle.

Keywords: *communication, quality circle, job satisfaction, manufacturing companies.*

Introduction

In the period of globalisation, today business were operating in hypercompetitive market which is categorized by reduced retention rate of employee, constant technical changes, short product life-cycles, competitors who compete in forceful ways (D'Aveni, 1998). Taking this argument a step further, some authors (e.g., David et al., 1995; Patria, 2001) purposely argue that participative management is one method through which in organizations can attain the effect needed in a hypercompetitive world. Quality Circle is one of the participative management methods which involve the development of skills, capabilities, confidence and creativity of the people through cumulative process of learning, training, work experience & participation .Quality circle is a people building philosophy, providing self – motivation and happiness in improving environment without any compulsion or monetary benefits. Initially, it materializes that quality circle direct to high employee job satisfaction and it does seem extremely sounds that a happy employee is a "better" employee who may perform well in the organization.

Various researches have also established that communication directly influence productivity and performance of employees. Effective communication increase employees level of trust and improve problem solving techniques .communication is essential for the entire empowerment concept. Researchers Dale and Plunkett (1990) pointed out that one purpose of quality circles is to promote improved communication among members. Almost all the superior in their study approved that quality circles develop communication between individual regional supervisors and their senior supervisor. They also suggested that it also builds good relationships between the members. They felt they were able to express their thoughts freely without any constraints. The supervisors also believed that quality circles enhance group work. This finding supports the view reported by Gupta (2001: 772), who pointed out that "quality circles enhance the ability to work with others, i.e. inculcates a team approach to problem solving".

Employees are more loyal and productive when they are satisfied Hunter & Tietyen, (1997), and these satisfied employees affect the customer satisfaction and organizational productivity, Potterfield, (1999) job satisfaction sentiments are important because they can determine collaborative effort. Consistent with this reasoning, Likert (1961) has argued that collaborative effort directed towards the organization's goals is necessary for achievement of organizational objectives, with unhappy employees failing to participate (effectively) in such efforts. Though there are many factors which influence job satisfaction, this paper study about the impact of communication and quality circle on job satisfaction

Definition of the term

1.   Quality circle

   Quality Circle (QC) is a formal, institutionalized mechanism for productive and participative problem

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solving interaction among the employees of an organization. QCs consists of small group of employees from all levels of the existing hierarchical structure within an organization, voluntarily involved in the process of identifying, analyzing and formulating solutions to various technical, manual and automation related problems encountered in daily work life.

2. Communication

Communication may be understood as the process of exchanging information and understanding among people. It involves transmission and reception of messages, which involves people and process.

3. Job satisfaction

Vroom defines job satisfaction focuses on the role of the employee in the workplace. Thus He defines job satisfaction as affective orientations on the part of individuals toward work roles which they are presently occupying (Vroom, 1964).

Review of literature

Before examining the theoretical impact of communication and quality circle on employee satisfaction, a brief review of the extensive literature related to communication, quality circle and employee satisfaction is in order.

Communication

Hsing Yu Tseng (2006) studied the communication factors which promote employee job satisfaction in Taiwan High-Tech Industry. The results indicate that there is a positive relationship between communication satisfaction and job satisfaction with work, job satisfaction with pay, job satisfaction with promotion, job satisfaction with supervisor and job satisfaction in general.

According to Korte and Wynne (1996), reveals that weakening relationships in organizational settings reduce interpersonal communication between workers and supervisors, which negatively influences job satisfaction and sometimes leads to employees leaving their jobs.

Pincus, 1986; Postmes, Tanis,& de Wit, 2001; Ray & Miller, 1994 researchers specifies that interpersonal relations involving exchange of information. Influence between co-workers ,employees and their supervisors, which have significant effects on the employees' emotional job outcomes, including job satisfaction, organizational commitment, and burnout (e.g.,).

Generally, as employees experience more positive communication relationships, they also experience more positive job outcomes such as job satisfaction.

Jane P. Elvins (1985) Analysis of the data revealed that quality circle participation had positive effects on perceived individual power/influence, communication with superiors, subordinates, and to some degree, with peers. Organizational communication was not affected by quality circle participation .The opportunities for advancement, belonging/acceptance by others, and tangible rewards were also provided by quality circle.

Early work by Taylor (1970) suggested that worker satisfaction could be attributed to the highest possible earnings with the least amount of defect. His classical theory prompted a number of studies that revealed differing factors behind job satisfaction. Some of these factors found to mediate job satisfaction include studies examining supervisors' displays of nonverbal immediacy (Richmond & McCroskey, 2000a), humor (Avtgis, & Taber, 2006), communication satisfaction (Hilgerman, 1998), effects of gender, (Madlock, 2006), and supervisors' communication style (Richmond, McCroskey, Davis, & Koontz, 1980).

Job Satisfaction

Harter et al. (2002), based on 7,939 business units in 36 organizations, found positive and substantive correlations between employee satisfaction-engagement and the business unit outcomes of productivity, profit, employee turnover, employee accidents, and customer 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 (see, e.g., Bowen, & Ostroff, 2004; Wright, Dunford, & Snell, 2001; Wright, Gardner, Moynihan, & Allen, 2005).

According to Heskett et al (1994), more satisfied employees, stimulate a chain of positive actions which end in an improved company performance.

Likert,(1961);McGregor,(1960) expose that satisfied workers are productive workers .Thus, organizational productivity and efficiency is achieved through employee satisfaction and attention to employees physical as well as socio emotional needs. Human relations researchers further argue that employee satisfaction sentiments are best achieved through maintaining a

positive social organizational environment, such as by providing autonomy, participation, and mutual trust

Quality circle

Kannan S(2011) The study determines whether QCs is functioning more effectively in terms of length of participation, training, participants' feelings about QCs, and organisational support to QCs. The results of the study show that participant experience their improvement in work life after joining in the QC programme with job satisfaction

Abo-Alhol(2005) Quality Circle proponents suggest a wide array of positive results when this participation technique is used either in manufacturing or in service sector. He also revealed that industrial QCs members were more enthusiastic than service QCs members in terms of involvement in QCs activities and showed higher job satisfaction and job commitment compared to members in service organizations.

Basu (2004) also noted that quality circles encourage workers to become involved in making decisions that increase the quality of their work.

Steel et al. (1985) studied two quality circle programs in the U.S. Army. One of the organizations was a maintenance facility. Researcher found that quality circles had a positive effect on job satisfaction in the maintenance facility.

In a study of four companies, Harper and Jordan (1982) found optimistic transform in job satisfaction, cooperation, communication with management, and personal influence. In addition to that the researchers also found that quality circles may be successful in a unionized organization.

Objective of the Study

The objective of the study is to reveal the relationship between communication, quality circle and job satisfaction among members of quality circle in manufacturing companies of chennai.

The objectives of the study are:

1. To study the relationship between communication and job satisfaction among employees in manufacturing companies.

2. To study the impact of quality circle on job satisfaction among members of quality circle in manufacturing companies

3. To reveal the relationship between communication and quality circle among members of quality circle in manufacturing companies in chennai district.

Methodology

Sample size: 50 employees of quality circle from three manufacturing companies in chennai have been chosen as population for this study.

Sample technique: Respondents comprises of quality circle members in three manufacturing companies. Hence the population is 50 and from all the 50 data was collected for present study. Since all elements of population included the sampling technique is censored survey.

Area of Data collection: Quality circle members in three manufacturing companies in chennai district.

Hypothesis

1. H_0 : There is no significant relationship between communication and job satisfaction.

   H_1 : There is significant relationship between communication and job satisfaction.

2. H_0 : There is no significant relationship between quality circle and job satisfaction.

   H_1 : There is significant relationship between quality circle and job satisfaction.

3. H_0 : There is no significant relationship between communication and quality circle.

   H_1 : There is significant relationship between communication and quality circle.

Result and Discussion

This section will highlight and discuss the results and the finding based on the analysis done on the data collected from respondents. The fundamental purpose of this study is to establish whether job satisfaction is influenced by communication and quality circle among members of quality circle in selected manufacturing companies. Results emerging from analysis show that there is significant relationship between all three variables. The following table and its result will reveal the relationship between selected variables.

General Information

Table : 1 Job Satisfaction

Items of The Variable Job Satisfaction	VDS	DS	N	S	V	Total
Busy all the time	2	13	9	17	9	50
Chance to be somebody	2	4	16	25	3	50
Way boss handle	3	10	14	15	8	50
Competence of supervisor	2	6	11	27	4	50
Things didn't go against conscience	2	7	11	23	7	50
Job provide steady employment	4	4	23	15	4	50
Something that use of ability	3	2	13	29	3	50
Way company policy put to use	2	14	7	23	4	50
My pay and work	2	6	15	22	5	50
Chances for advancement	2	8	17	22	1	50
Freedom to use my judgement	2	6	15	24	3	50
Chance to try my own method	2	6	22	13	7	50
Praise I get for doing good job	3	7	21	14	5	50
Feeling of accomplishment	6	3	14	23	4	50

very dissatisfied, Dissatisfied, Neutral, Satisfied, Very satisfied

This table explains overall expression of job satisfaction in manufacturing companies and sub-dimensions as intrinsic and extrinsic factors. It is understood from table 1intrinsic factors play vital role then extrinsic factors in part of employee satisfaction among employees.

Table : 2 Communication

Items of the Variable Communication	VD	DS	SDS	ID	SS	S	VS
My process in job	4	3	7	9	10	8	9
Organisation policies and goals	6	4	6	5	11	11	7
Government action affecting organization	5	7	8	2	12	12	4
Benefits and pay	3	3	7	10	9	10	8
Financial standing	3	4	3	9	12	14	5
Extend to which my supervisor know and understand	1	2	2	4	19	18	4
Organization's communication motivates and stimulates an enthusiasm	1	3	3	5	20	18	2
Supervisor Listens And Pays Attention To Me	6	8	7	7	6	12	4
Supervisor offers guidance for solving job related problems	2	4	4	8	13	19	4
Organization's communication makes me identify with it or feel a vital part of it	1	3	4	9	17	12	5

Horizontal communication with other organizational members is accurate and free flowing	1	4	2	7	19	11	6
Attitudes toward communication in the organization							
are basically healthy	4	2	6	9	15	10	4
Informal communication is active and accurate	2	3	6	8	17	11	4

(* Very dissatisfied, Dissatisfied, Somewhat dissatisfied, indifferent, somewhat satisfied, satisfied, Very satisfied)

Table 2 explains about communication and its sub-dimension as relation with subordinates, relationship with subordinates, organization integration, horizontal and informal communication. Employees are satisfied with communication and they also expect more direct communication from management with regards to quality circle activities.

Table : 3 Attitude about Quality Circle

Attitude about QCs	Frequency	Percentage
Low (> 20)	1	2
Moderate(20 to 30)	19	38
High (30 and above)	30	60

From table 3, it is clear that 2 percentages of members have low attitude about quality circles, 38 percent members have moderate attitude towards QC and 60 percent have high attitude regarding quality circle.

Effect of Communication on Job Satisfaction

Table : 4 Simple Linear Regression Analysis Regarding the Effect of communication on Job Satisfaction

Independent Variable	B	Std error	T	p	R^2	significance
Constant	3.438	4.001	.859	.394	.442	F=38.077
communication	0.139	.023	6.171	.000		P=0.000

Simple linear regression was performed to find the significant relationship between communication and job satisfaction. From the above table 3 it is found that the p-value is 0.000 and t-value is 6.171. Since the p-value is less than 0.05, it shows that there is a significant relationship between communication and job satisfaction, hypothesis 1 is accepted. From the adjusted R^2 it is inferred that the communication have influenced 44.2 percent on job satisfaction.

Job satisfaction= 3.438+ (0.139) communication. To have one unit increase in job satisfaction, the communication has to increase by 0.139 while other remains constant. The equation explain communication have positive impact on job satisfaction. This result also coincident with the study of Azadeh Tourani, Sadegh Rast (2012), result of the study revealed positive and significant effect of communication on job satisfaction. .The communication in work place can take many forms and has a lasting effect on employee motivation. If employee feels that communication from management is effective, it can lead to feeling of job satisfaction and increased trust in the workplace. The role of supervisor is also important in communication, they should frequently interact with employees and motivate them to do their work more effectively, also make them to feel that all employees are treated equally this will lead to productivity and job satisfaction reliable with past research (De Rider, 2004; Abugre, 2010a), this study initiate that ef-fective organizational communication displays a direct and positive relationship with job satis-faction.

Effect of quality circle on job satisfaction

Simple regression test was performed to investigate significant relationship between quality circle and job satisfaction, result of this test is given below

Table : 5 Simple Linear Regression Analysis Regarding the Effect of quality circle on Job Satisfaction

IndependentVariable	B	Std error	T	p	R^2	significance
constant	7.225	3.442	2.099	.041	0.436	F=37.037
Quality circle	.634	.104	6.086	.000		P=0.000

From the above table 4 it is found that the P-value is 0.000 and t-value is 6.086, since the P-value is less than 0.05.It shows that there is a significant relationship between quality circle and job satisfaction, hence hypothesis 2 is accepted.

From adjusted R^2 it is clear that the job satisfaction have influenced 43.6 percent on job satisfaction. Job satisfaction=7.225+ (0.634) quality circle .To have one unit increase in job satisfaction, the quality circle has to increase by 0.634 while other factors remain constant. The equation explain quality circle have positive impact on job satisfaction. The study result also coincidence with the study of Griffin & Wayne, (1984) .They studied quality circles in nine plants of a large manufacturing company and their study concluded that the more effective quality circles had higher levels of job satisfaction, intrinsic satisfaction, self-esteem, cohesion, and co-worker satisfaction . T. R. Abo-Alhol et al. (2005) Results show that QCs develop positive attitudes among employees who derive job satisfaction when they feel that their companies are a good place to work and consequently, more willing to extend their efforts for their companies.

Quality circle program that has a high level of support from management and circle members, meets requirements such as job satisfaction, intentions to remain with the organization, feeling of participating in decision making, and the perception about job. Management and Managers should realize that they must provide continuous support to the program if it is to be successful. Management should also implement recommendations made by quality circle; this will make them to actively participate in circle and also lead to job satisfaction.

Table : 6 Relation between communication and quality circle

		Communication
Quality circle	Pearson Correlation	.593**
	Sig. (2-tailed)	.000
	N	50

Pearson correlation was conducted to find out the relationship between quality circle and communication. Table 6 shows the R value 0.593 and P value 0.000, which implies that there is a significant positive relationship between communication and quality circle. Hence the results confirm the hypothesis 3 and R^2 value 0.35 implies that 35% of the variation in quality circle of the sample can be attributed to communication, remaining 65% can be explained by other variables. This result also proved with result of Dale & Plunkett (1990), who pointed out that main goal of quality circles is to promote improved communication among participants.

Conclusion

The finding of this study implies that effective communication and maintained quality circle have positive effect on job satisfaction. Quality Circle is a form of participative management, a human resource development solving technique. If management supports continuous improvement of quality circle activities by implementing suggestion taken by circle and communicating with its members then employees will get the feel of satisfaction in the work they perform. In addition the result of the studied also found that communication have positive impact on job satisfaction, it's helpful for organization to establish a cohesive environment, communicating with all employees so that they have a common understanding of activities taking place in the company. when the employee feel that their companies is good place to work and also if they were allotted with impressed work ,they will extend their willingness to work for companies .This will also express job satisfaction among employees, finally communication and quality circle have a positive impact on job satisfaction among employees.

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PERFORMANCE EVALUATION OF HRIS AND ITS SERVICES IN ORGANISED RETAIL SECTOR

Dr. B. Rose Kavitha[1]

Abstract

*Organised retail services consists involvement of a large number of human resource. If the quality of service is good, it leads to the higher satisfaction of the customers. This article explores on how the Information Technology has made professional life easier and organized in a Retail Sector to keep a proper track of the available information about the employees, their performance, various customized reports etc. A very high-quality Human Resource Information System elevates the entire workforce, from the operational level workers to the strategic level of the organization. An effective HRIS, supplies the decision makers with data needed to answer key policy questions that can ensure a steady supply of trained workers, ensure workers with right skills to right positions and to improve the retention of workers' skill set and experience. This paper is **experiential and descriptive and analyses on various innovations and knowledge applied into various functional areas of Human Resource Management.** It also makes an attempt to make the task simpler and organized by automating HRM functional areas. A human resource information software system (HRIS) has become one of the preferred software for Retail organizations. The main objective is to understand that for managing and using the information which is a delicate task, it is better to instil latest software and IT tools to manage the workforce in organised retail sector that reduce the chances of redundancy. The technology today enables the data repository of HRIS for strategic decision making like talent analysis of a person. The impact of the implementation of HRIS tool in Organised Retail Sector can help in achieving the relational, operational or even transformational objectives and provides a better service to the customers.*

Keywords: *Organised Retail Sector, Human Resource Management (HRM), Human Resource Information System (HRIS), Information System Tools.*

Introduction:

The Human Resource software makes the HR department in a Organised Retail Sector more organized and efficient. It helps in designing, providing required services and implementing service policies successfully. An attempt is made to explore and evaluate the effectiveness of technology based system in the functional areas of Human Resources management in organised Retail Sector, which is called as Human Resource Information System (HRIS).

The focus in on how the application and implementation of technology in running the Human Resource Management helps in attracting, hiring, retaining and maintaining the talent pool in the organized Retail Sector. This also supports the performance management of work force in Retail. The methodology involves both experiential and exploratory view of HRIS. Reflections are sought based on respondents view regarding the implementation of HRIS. The paper discusses especially on performance evaluation of HRM functions and highlights the need of introducing HRIS models that can be applied in the field of Retail. The uniqueness of the paper is to provide HRIS as a framework for explaining of what and how it should be rather than what it is.

There can be advancement in the efficiency of HR activities by selecting the appropriate HRIS tool for organized Retail Sector. The tool depicts its behaviour depending on the size of the organization. Moving from manual information system to an automated one with the help of a user-friendly tool gives a prospect to rationalize the business process and advance the course of action to cut cost. The usage of technology, the usage of computers has increased incredibly at a rapid pace. Usage of Internet, and creating Websites and WebPages in developing a system has evolved the manual system into a completely automated system.

Most of the Retail Outlets are having the major functions of HR department/Personnel Management Department being automated – like, payroll system, and other administration activities. These regular activities being automated are directly proportional to the reduction of headcount in the HR department of a Retail Outlet. In addition, these resources can be used for strategic matters. This also helps in reducing the cost of hiring personnel, and increases the effectiveness by obtaining better customer satisfaction.

Recent Trends of HRIS:

Technology is increasingly pervasive and the push factor is hardware and software costs go down and the pull

factor is greater need for good HRM systems. In the process of transition from manual Human Resource Information System to a completely automated system, there requires some re-engineering to be carried out in the basic HRM functions. This act will reduce the cost, redundancy and streamline the process. HRIS tool automates as much of transactions as possible, and provide them to the line managers and the employees for their reference and use.

As a result of HRIS development and implementation in many organizations, several payroll functions are being transferred from accounting departments to HRM departments. During 1960s to 1990s organizations were using HRIS tool only to manage payroll and compensation activities, record keeping but now it is understood that HRIS can be utilised for various other functions of HRM too. Today, by the application of this HRIS tool, most of the organizations, apply technology based systems, for their easy maintaining of the database, to make their task easier, to retrieve data at no time, to maintain the integrity of the information, security of information of employees and the organisation etc. With the usage of client-server networking, usage of Local Area Network (LAN) and Wide Area Network (WAN) technology, led to the boon of HRIS tool. Today, the HRIS tool has the potential to supplement the Decision Support System used by the top level managers for taking any kind of Decisions.

HRIS in Retail Sector:

HRIS serves two major purposes in organizations. One relates to administrative and operational efficiency, the other to effectiveness. When it comes to customer satisfaction emotional appeal and customer feelings are the variables for the study. Emotionally satisfied customers contribute more than rationally satisfied customers especially if the services are provided with greater technology and lesser time consuming in providing the service.

B Rose Kavitha (   ) have identified few behavioural implications of customer engagement in organised Retails:

1. Customers are not strictly rational; the most profitable customer has strong emotional bonds with your organization if you have a better service with updated technology.

2. Level of employee engagement drives the long-term financial success one will have with each customer

with better performance of technology and automation.

3. Every time a retail organization moves towards a customer, the customer either becomes a little more, or a little less, engaged – but they never stay the same.

4. Simply satisfying customers is not enough. Satisfaction is the cost of entry; necessary but not sufficient. Service on time with Information tools provides greater satisfaction.

5. Retail organization has as many "brands" as there are customer touch points.

6. Strong customer relationships must be managed locally and this would possible only with built in software like HRIS.

Phases of Organised Retail Sector:

There are different three phases of handling the automation of the Human Resource Information System in Retail Outlets.

- ***Operational phase or the daily transactional phase:*** In the operational phase, the daily clerical work, paper work, data collection, record keeping etc can be automated, whereby; time and cost can be saved to greater extent.

- ***Managerial phase***: this phase creates a relation between the lower level managers and the top level managers by means of creating regular reports, ad hoc reports and other exceptional reports. In the managerial phase, the managers create a relation with the outside customers, provide them with reports necessary for them, get the updated reports from the lower level managers and use them for certain decision making being done by the top level managers. This acts as an input for the Decision Support System – used by the strategic level people of the organization for getting one of the feasible solutions. This increases the timeliness and the service level of employees.

- ***Strategic phase:*** In this phase the HRIS helps in decision making by the strategic level people of the organization. The strategic phase includes transition and transformation of various HR functions and its scope. This transformation tightens up reengineering process to tailor the employee activities to satisfy the customer.

HRIS Uses and Challenges:

HRIS is used in the following functions of HRM.

HR PLANNNING AND ANALYSIS	EQUAL EMPLOYMENT	STAFFING	HR DEVELOPMENT
• Organization charts • Staffing projections • Skills inventories • Turnover analysis • Absenteeism analysis • Restructuring costing • Internal job matching	• Affirmative action plan • Applicant tracking • Workforce utilization • Availability analysis	• Recruiting sources • Applicant tracking • Job offer refusal analysis	• Employee Training Profiles • Training needs assessment • Succession planning • Career interests and experience

COMPENSATION AND BENEFITS	HEALTH, SAFETY, AND SECURITY	EMPLOYEE AND LABOR RELATIONS
• Pay structures • Wage salary costing • Flexible benefit administration • Vacation usage and Benefits usage analysis	• Safety training • Material data records	• Union negotiation costing • Auditing records • Attitude survey results • Exit interview analysis • Employee work history

The change in manual system to automated system is not a trend or fashion, but is necessity. Automation of Human Resource Management functions is a big challenge for the retail organization. This is because even a variable like employee satisfaction or updating remuneration details may become difficult if the data entered is wrong. Therefore, accepting changes in the system, continuous monitoring of system changes is challenging. The existing system is huge and unstructured with scattered data from various other sources. The challenge is to face unexpected data entries which may be unpleasant. It is necessary to maintain the user-friendliness of the users to keep their motivation level at a high degree. During this transition, maintaining the integrity of data and ensuring continuous updates is another real challenge.

Research Methodology:

The sample size is 120 retail outlets from the population of 350 across Karnataka chosen for study. The sample was chosen with utmost care by conducting a 'T' test.

Research Objectives:

➢ To study HRIS tools framework for organized retail outlets.

➢ To evaluate the impact of HRIS performance in selected organised retail outlets.

➢ To explore the expectations of retail organisations from HRIS and

➢ To provide suggestions as future trends of HRIS services in Retail.

A structured questionnaire was distributed in all 120 retail outlet's managers selected for study. The group statistics score is 4.58 were the inference is that all the employees mutually agree to the implementation and importance of HRIS tool in their organisation. The questionnaire has 25 questions of both closed and open ended forms.

The types of encounters or transactions between the customer and the employee are projected in Table: 1. The table lists out the retail sector's essential requirements and that how many encounters or transactions are done in 120 retail outlets and then projects the importance of HRIS tool.

Perception of managers on the Effectiveness of Types of transactions between Customers and Employees.

Table : 1 Types of encounters and Effectiveness of Types of Encounters.

| Total Encounters/Transactions	Not Effective	Moderately Effective	Highly Effective
Remote Encounters	50	45	35
Phone Encounters	20	65	35
Face to Face Encounters	20	30	70

Inference: According to the managers of 120 retail outlets, out of the three types of encounters experienced, Face to Face Encounter is highly effective *and this needs the application of HRIS tool for the Encounter to be effective.* It is only through internet the data at multi locations can be managed. With the help of HRIS tool only the data in various outlets of the same organisation can also be managed. This automated system provides easy updation of information and easy access to data or information. It also helps HR in easy access to data of employees to the top management for any kind of decision making on a daily basis in Retail Outlets. By using this automated HRIS tool, many organizations have elevated their HR practices to higher standards. The success of implementation of this tool depends on how well it is used by the vendor.

For the question 'Was any assistance or training given to the users for handling this HRIS tool?' table: 2 shows the analyses and inference:

Table : 2 Managers Perception of Training Programs of HRIS

RESPONSE	PERCENTAGE
Yes	56.6
No	43.3

Managers Perception of Training Programs of HRIS


NO 43% YES 57%
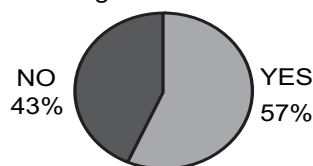
Inference: 56.6 % of the retail managers across 120 retail outlets agree that assistance and training was given before handling HRIS. The remaining 43.3 refuse that they were not given which the researcher infers that either the managers were not aware of the exact training program or they were unhappy of the process and conduction of training program.

For the question 'What is the duration taken by the employees to adapt the changes?' the response was:

Table : 3 Duration taken by the employees to adapt the changes

OPTIONS	PERCENTAGE
Less than 3 months	33.3
3 to 6 months	50
More than 6months	16.6

Duration taken by the employees to adapt the changes

More than 6months 17% Less than 3 months 33% 3 to 6months 50%
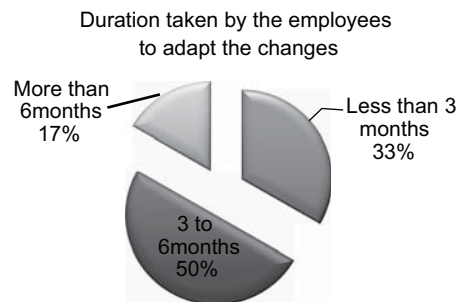
From the above table and graph it is inferred that the maximum duration managers have taken to adopt HRIS tool is 16.6% which is quite less percentage when compared to the majority of the managers who have taken only 3 to 6 months.

HRIS and Security:

With the above analyses it is very vital to note that the privacy of the employee information has to be taken care. Employees are more conscious about the security and privacy of their personal information. It is necessary to ensure all employees that their information stored in the HRIS is secured, and it has got limited access to others and about the usage of password protection for files. As the Human Resource information system (HRIS) houses sensitive employee data, it is very much essential to ensure security measures to safeguard them against any breaches to their HRIS program. This can be done by limiting the access rights among the users or by encrypting the data. In addition to guarding of software, the hardware – servers should be protected from physical damages.

Findings:

New HRIS system became an active tool to help employees engage more easily with the company–and each other–thereby driving greater productivity and business execution. Companies also looked to the new HRIS systems as an alternative to lengthy and expensive ERP-based HR options.

Core HR Solution: In addition to the basics, such as employee lifecycle management, support for HR business processes and managing organizational data, it is designed not simply for the HR team, but with employees, managers and business leaders in mind. It is easy enough that HR and business leaders have ready access to the data they need to make sound business decisions, and intuitive enough that employees and managers can keep their data current.

Analytics: Ad Hoc reporting and analytics offer concrete and actionable visual insights on your workforce data. Modeling capabilities and trend analysis help you understand how the movement of talent impacts hiring decisions, career development initiatives, succession plans, and risk management to drive your business strategy today and help you plan for the future.

Collaboration: Gives employees self-service access to update critical information and create richer profiles to engage with others in the organization to get work done more easily and efficiently. Discussion groups and group workspaces allow valuable business insights to be shared as they happen and enable co-workers to virtually gather around a project to collaborate, share documents and perform tasks together. Managers can utilize the corporate data and benchmarks to gather the crucial information necessary for making key strategic business decisions, such as identifying and evaluating employee potential for promotions or transfers.

Integration Platform: The "best-in-show" of these HRIS solutions provide a simple solution for integrating your Human Resources Information System with Payroll, Benefits, Time Management and other applications, enabling you to complete integration projects in less time, with significant savings.

Conclusion:

There are few challenges that have to surpass for the effective usage of the HRIS tool. This study focuses on those few challenges.

a. **Misconception of HR managers:** There is an incorrect understanding among the HR personnel that the automated HRIS tool lightens all their responsibilities. The fact is that this tool can free the HR professional from their daily transactional tasks. This however, brings in new responsibilities to ensure that the tool is being implemented properly for obtaining correct data.

b. **Change:** Individuals resist change. They are inclined towards only using the existing system. This resistance rate is higher if the required change during transition requires acquiring new skill sets. This leads to lack of cooperation and enthusiasm in the successful implementation of the tool. Even the change in the work flow, when some HRIS tools are installed in order to be in par with some globally accepted practices, there are a few who do not feel comfy with the new system.

c. **Corrections and new versions:** Errors lead to new opportunities, which is an integral part of the tool development. But, the users resist errors, thereby, condemn the new system. Once these corrections are carried out, they do not reappear, and thus, all hidden loop holes can be fixed; this leads to the complete system implementation.

d. **Need for training:** When a new system is implemented, there are a lot of anxieties, discomfort from the users' side to use the system. This result in remaining ignorant about various features of the system and thereby, not utilizing it to the fullest extent. This demands a proper training to be given to the key personnel for resolving such issues. An effective training is required in understanding the technology.

e. **Transformation of Data:** Transforming data from the existing system to the new system should be handled with care. The format of the existing database may not comply with the new one; for which the data transfer has to be carefully done to the new format without disturbing or mishandling of data. Therefore, configuration of the new database template and data transformation is a greater issue that needs to be handled with much care.

f. **Selection of HRIS tool vendor:** The selection of HRIS vendor is one of the most critical decision to be taken, because, a good ERP vendor may not be necessarily be a provider of HR solutions. A good HRIS vendor is conscious about the cost, but always sells quality. The HRIS vendor should have the ability to utilize the latest technology and a vision to remark the future needs of HR functions.

g. **Feedback and fine tuning:** This is a crucial step because feedback from the users of the tool helps in early identification of further requirements. This helps in aligning the user requirement with the newly developed system by which, the system is fine tuned to accustom to the usage of the user.

Data authenticity and confidentiality are other issues that should be taken care when there is a transition from former manual system to automated system using the HRIS tool.

The evaluation of the study determines that HRIS in Organised Retail Sector was able to perform up to its expectations of the user. Measuring the performance of the automated tool in the transition process of manual information system to computerised Human resource information system is challenging especially in Retail Outlets. The tool has to be effective for all HR operations for it to increase the efficacy of the system.

Future of HRIS in Retail:

HRIS provides data to executives, managers, supervisors, and employees of retail outlets. Each of these groups has different information or data needs. To determine who gets what, the HRIS team must consider each group's 'time span of control'. Supervisors, for example, have daily data needs such as daily or weekly reports on absences, etc. On the other hand, those in top management need information to determine whether they are achieving strategic goals. Their reports should include metrics and benchmarking data, such as hiring, turnover, cost, and performance trends. As the automation of Information system using the HRIS tool ease the stress of human, every Retail Organization must apply for the computerised Human Resource Information System (HRIS) . This automated system helps the employees to go for a self service to check the validity of their stored personal data and correct them in case of any discrepancies. In future, various interactive automated tools can be implemented to make the system more instinctive. This may result in reducing the operational staff and increase in the requirement of human for technical maintenance of the new generation of HRIS.

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INFLUENCE OF ATMs ON THE BANKING OF PUBLIC SECTOR BANKS WITH SPECIAL REFERNCE TO DELHI

Aradhana Chadha[1]

Abstract

Increased customer acceptance of, and usage for routine financial transactions are also speeding-up the growth of ATM installation. 900 per month, per machine. In the early 1970s, the average volume of transactions was transactions rose to more than 3,000 transactions each, per month. while an ATM network could average as much as 10,000. While the key to this new era in banking is the advance of technology, it is true that much of the credit for the development of automated banking rightfully belongs to large, money institutions in India. It is interesting to note that the impetus for networking came not so much from these money centers but from unit banking states of the Midwest where smaller, independent banks are most numerous. The study is an evaluation of the response of public sector banks to the adoption of ATMs. Three categories of variables that relate to the adoption and implementation of ATMs were used for the study. These include the degree of adoption and utilization of innovative technologies; and the impact of the adoption of ATMs on bank operation. For this purpose three banks of Delhi region has been taken.

Introduction

The evolution of payments in recent history has gone from cash to cheques, and then to payment cards such as credit cards and debit cards (Batiz, 2005). Interestingly, debit cards are the most rapidly growing method of payments in several countries around the world (Pierce, 2001). Information and communication technology (ICT) has also provided new products and value added services to be delivered using the same electronic infrastructure (Abor, 2004). In order to remain competitive, most companies invest a lot of money in modern ICT infrastructure.

There have been dramatic changes in the banking industry in recent decades. Automated Teller Machines (ATMs) have superseded human tellers for many banking tasks. Many users prefer ATMs to human tellers, but ATMs can sometimes be slow since they enforce a simple, linear use flow. For users who want to complete many transactions, this means spending several minutes at an ATM. Whether they have a long line behind them, in front of them, or are simply alone late at night, time spent at an ATM is something most users would rather avoid. Online banking (OLB) has made it possible to do many kinds of transactions at home, avoiding this problem, but users must still go to an ATM if they wish to withdraw physical cash or deposit cash or cheques.

Our system proposes a new macro transaction feature that allows users to shift more of their banking time from ATMs to online banking. Users can pre-define sets of multiple transactions from a flexible web-based interface. These become available at the ATM and require only authentication and confirmation rather than a long string of sequential operations. This cuts down on undesirable ATM interaction time considerably, improving user experience. Furthermore, our system will increase ATM throughput, reducing wait times in ATM queues and perhaps reducing the number of ATM machines that banks must deploy.

Automatic Teller Machine [ATM]

With the introduction of Electronic Fund Transfer or EFT, in the early 1970s came the use of ATM's or Automatic Teller Machine, to process financial transactions. The first ATM was installed at a bank in Valdosta, Georgia, in 1971.18 Initially, ATM's served as cash dispensers, but as customer acceptance increased, EFT networks expanded, and as barriers to interstate installation fell, ATM usage rose. ATM's appeared not only at bank locations but in shopping centers, stadiums, airports, and other locations where people gather. By 1995, 9.7 billion transactions were processed at 123,000 ATM terminals. Cash withdrawals remain the most widely used ATM transactions; however, many banks have added collection services to help encourage use of ATM's because ATM transactions cost less than teller transactions.

As of April 1, 1996, banks had the authority to charge ATM fees to non-customers who use the bank's ATM. Therefore, customers who access an ATM outside their own bank's system were subjected to ATM fees levied by their own bank, as well as by the bank that owns the ATM. Till April 2009, banks received revenue from ATM transactions, as they charged customers a fee, for using an ATM outside their bank's system. After that, new banking laws were introduced and a settlement was drawn out where withdrawal up to a limit of Rs. 10000/- were allowed free of cost to all the customers, irrespective of the bank .

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Review Literature

According to Balachandler et al, 2001; Yasuharu, 2003. ICT has also changed drastically the way businesses are done in these modern times. A number of studies have concluded that ICT has appreciable positive effects on banks productivity; banking hall teller transactions, bank patronage and bank service delivery The automated teller machine (ATM) is no exception to the numerous ICT products. The ATM services have gone through many stages.

According to Abor (2004), the ATM was first introduced solely as a cash dispensing machine but it can now perform other banking services such as cash withdrawals, funds transfers from one account to the other and the payment of bills. To protect ATM users from fraud, some modern ATMs have been made biometric which requires a customer s data such as the palm to access the ATM services without the use of cards . These biometric ATMs are better secured because the biometric is based on the uniqueness of the individual's physiological properties such as the use of distinct fingerprints to prevent impersonation.

Humphrey et al (2003b) and Humphrey and Vale (2004) state that the shift to electronic-based payments leads to remarkable cost savings. In addition, Humphrey and Vale (2004) discuss cost savings from bank mergers. They use Norwegian banking sector data and state that bank mergers in Norway have on average reduced costs. Hancock et al (1999) discuss the consolidation of Fedwire and find that consolidation reduced costs. Humphrey et al (1998) investigate the gains from electronic payments with Norwegian data and conclude that electronic payments lead to social benefits. Raa and Shestalova (2004) analyse payment media costs with Dutch data and find that currency is cost-effective for small payments. Furthermore, their results suggest that debit cards or money are likely to replace cash usage for larger legal transactions.

V.Rajendran (2007), this article discusses what and electronic delivery channel is and defines it as "An electronic delivery channel is one in which the delivery of a banking product is made through an electronic medium". It is essential to provide customer service and attend to the customer's needs through an electronic medium is broadly termed as electronic delivery channel (E.D.C) in banks. The most popular forms of EDCs are ATMs, internet banking, card payments, mobile payments, e-remittances, touch screens information and other kiosks, SMS and mobile banking, e-mail banking etc.

Vijaya Bharathi (2008), suggest that "The growing volume of business and the number of clientele and raising personnel costs, leave no alternative but to work towards improving efficiency with the aid of new media and computers in the years to come".

To conclude, various aspects of ATMs have been analyzed in the literature. The earliest ATM papers concentrated on the adoption of ATMs, and a significant part of the recent literature discussed the pricing and cost saving questions. However, the effects of monopolization in the ATM network market structure have attracted insufficient attention. Our analysis is aimed to fill this gap in the literature.

Problems Associated With the Use Of The ATM

Although ATMs provide an extremely useful service to bank customers, at times they can be very frustrating to use and therefore there is a lot of room for improvement in the interface design. The interface enables communication between the user and the machine. Therefore good user interface design is imperative for high usability levels. Often there are problems or inconveniences experienced when using an ATM. Some of these problems include:

a. Network problems- The ATM relies on the bank communication network hence when the bank communication network goes off line the ATM services become unavailable for customers use.

b. Inability to see the ATM screen well: This depends on the location of the ATM in relation to the position of the sun. At times it can be difficult to view the contents of the ATM menu.

c. Wrongly inserting the ATM card: This problem is more common with new ATM users who are not familiar with their new card and the ATM.

d. Getting the required amount of money: Some ATM s may not offer the user the required amount of money they want on the initial cash withdrawal screen. The user will then have to use a few more key strokes to select the required amount. The daily limit on the ATM also becomes problematic for customers needing monies which exceed the set limit.

e. Understanding how to perform operations: Some ATM users find the instructions on how to perform operations quite difficult to understand. Often the ATM card is returned to the user while further operations are required and thus the user would have to re-insert his/her ATM card and these further increases the time spent at the ATM.

e. Waiting in the queue to use the ATM: If users ahead of you in the queue experience difficulties in using the machine, this will increase the time waiting in the queue. f. ATM charges: Some banks also charge their customers whenever they use the ATM to make cash withdrawal.

Objectives

1. To find the perceptions of bank employees whether efficiency has been increased due to ATMs

2. To find the accuracy whether time is saving and error is reducing due to ATMs.

Population and Sampling Technique

For the purpose of this study, the population defined for the research is made up of branch customers whose accounts are entitled to ATM cards namely current account, bank account and instant savings account holders. Respondents were made aware of the purpose of the research. They were assured from the beginning of the research that any information they provide will be kept confidential.

Research Instrument

The research instruments used for the study were structured questionnaire and unstructured questionnaires. The structured questionnaires were used in order to restrict the respondents to make choices from a fixed range of answers. The unstructured questionnaires were also used so that the respondents would feel free to share information about intimate matters on the topic under study.

Research Design

The research was a descriptive study employing quantitative methods of data collection and analysis and appropriate tools has been incorporated to give the edge of the study. The three banks have been taken up from Delhi (SBI, PNB, Canara Bank) .Two areas of delhi have been covered (Rohini & Pritampura) .90 bank employees across rank and file from the sample banks have been interviewed for purpose of data collection. The data is collected based on convenience methodology. All three bank of ATMs and are members banking and ATM have been considered as respondents to collect information this study is a type of exploratory research using purposive sampling technique.

Data Analysis & Findings of the Study
Table : 1 Knowledge of operating ATMs

Knowledge on the use of ATM	Frequency / Percentages		Total
	Yes	No.	
Can the ATM be used for cash withdrawal ?	(100%)	(0%)	(100%)
Can the ATM be used to check and print account mini statement ?	(71.19%)	(28.81%)	(100%)
Can the ATM be used to check account balance ?	(91.53%)	(8.47%)	(100%)
Is ATM withdrawals free of charge ? Can the ATM be used to order for cheque books ?	(55.93%)	(44.07%)	(100%)
Does the ATM have a daily cash withdrawal limit ?	(16.61%)	(83.39%)	(100%)
Is the ATM daily cash withdrawal limit	(86.44%)	(13.56%)	(100%)
Can the ATM accept Ezwich card ?	(71.19%)	(28.81%)	(100%)
Can the ATM operate for 24 hours / 7 days a week without error ?	(36.27%)	(63.73%)	(100%)
	(91.53%)	(8.47%)	(100%)

Source :- Survey data 2013

The ATM is a product of Information and Computer Technology. The technology customizes service offerings, reduces waiting time for customers, serves as an alternative channel for service delivery and provides vital information needed by customers in the shortest possible time (Lovelock, 1996). Knowledge on the services of the ATM was analyzed in order to find out whether the respondents were aware of the ATM services; this is shown in Table The study shows that all of the respondents were aware that the ATM could be used for cash withdrawals. This was

because most of the respondents perceive the ATM as a machine whose main purpose was to dispense cash. Other respondents indicated that they were informed immediately upon the receipt of their ATM cards that they could use their cards to withdraw monies from the ATM.
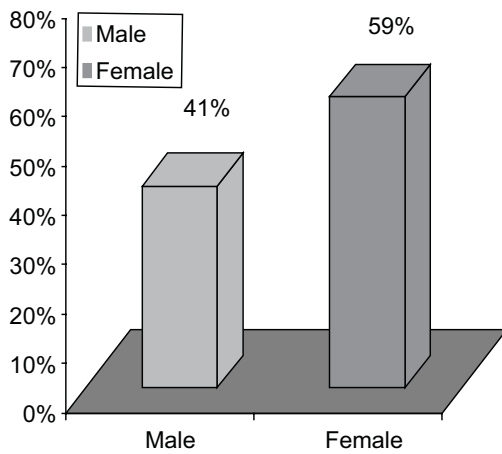

Fig : 1 showing gender
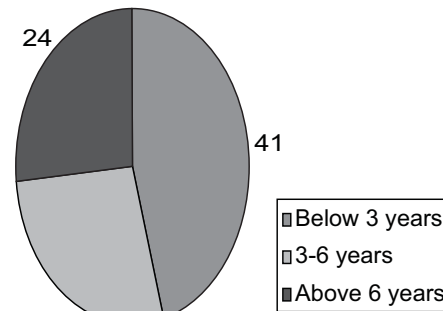wise distribution of respondents

Fig : 2 Distribution of
respondents based on length of service

Table : 2 Customer's perception on the benefits of ATM services

RESPONSES	PERCENTAGE
Time saving	36.95
Easy carrying out transactions	26.78
Quality of monies dispense	4.07
Privacy in banking	13.55
Twenty four (24) hour Services operation	18.64
Total	100

Source:- Survey Data 2013

H1:- There is no relation between increase efficiency & reduction of work due to ATMs
H1:- There is a relation between increase efficiency & reduction of work due to ATMs

1	2	3	4	5
0	e	0 -e	(0 -e)*(o -e)	4/2
46	3 1.22222222	3.77777778	24 .82716049	0.55376
12	13 .77777778	-3 .77777778	8.716049383	0.52214
12	14	-2	4	0.28571
7	10 .77777778	-5.7777778	22 .82716049	2.93816
7	4.222222222	2.77777778	7.716049383	1.82749
8	4	2	4	1
				6.127 25

0.05 percent level of significance is 5.99.

Comparing calculated and table values of X2, the calculated value is less than the table value confirming the relation between reduction of work and increase in overall efficiency . Thus, the null hypothesis is rejected, and the alternate hypothesis is accepted.

H2: There is no relation between saving time and decreased error rate due to implementation of ATMs

H2:- There is a relation between saving time and decreased error rate due to implementation of ATMs

Table : 3 Time saving & decreased Error rate

	Yes	No	Total
Below 3 years	36	5	41
3-6 years	20	5	25
Above 6 years	14	10	24
Total	70	20	90

1	2	3	4	5
0	e	0-e	(o -e)*(o -e)	4/2
36	21.88888889	5.11111111	15 .90123457	0.53
20	18.44444444	0.5555 5556	0.308641975	0.01587
14	17.66666667	-4.6666667	21.77777778	1.16667
5	9.111111111	-4.1111111	16.90123457	1.85501
5	5.555555556	-0.5555556	0.308641975	0.05556
10	5.333333333	4.66666667	21.77777778	4.08333
				7.70645

0.05 percent level of significance is 5.99

The null hypothesis is rejected, and the alternate hypothesis is accepted. Comparing calculated and table values of X2, the calculated value is less than the table value confirming the relation between saving time & error rate.

Conclusion

As we are designing a banking system that can be used to perform a number of standard transactions, we must take a wide variety of users into account. Most of these users want their banking systems to be simple and intuitive. It is safest to design for a novice rather than an expert user, although advanced functions can be beneficial if they do not overly complicate the system. We should also keep in mind the fact that most potential users have an existing mental model of how various banking operations work based on current ATM interfaces. The bank management should also provide an additional telecommunication network to the branch so that it can rely on that network when the present network goes offline. The bank management also upgrade their systems to enable customers to block their missing or stolen ATM card by the use of their mobile phones. Management should increase the ATM access points . Additionally management should incorporate mobile phone air time top up, utility payment etc. to the existing ATM services to encourage their everyday use and also ensure that the ATM is provided with adequate journal rolls to encourage customers to print their mini bank account statements and balances. Management should stock the ATM with new currency note by requesting for new notes from the Head Office on regular bases . Management should also relocate the ATM to a position where users can have their complete privacy from passersby. Management must adopt a holistic strategy to promote ATM usage at the branch instead of over relying on educational promotions as a way of promoting ATM use by coming out with attractive packages.

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CORPORATE SOCIAL RESPONSIBILITY: AN INDIAN PERSPECTIVE

Dr. R. Sarvamangala[1]

Abstract

Corporate social responsibility is represented by the contributions undertaken by companies to society through its business activities and its social investment. This is also to connect the Concept of sustainable development to the company's level. Over the last years an increasing number of companies worldwide started promoting their Corporate Social Responsibility strategies because the customers, the public and the investors expect them to act sustainable as well as responsible.CSR is viewed as a comprehensive set of policies, practices and programs that are integrated into business operations, supply chains, and decision-making processes throughout the organization wherever the organization does business and includes responsibility for current and past actions as well as future impacts. CSR involves addressing the legal, ethical, commercial and other expectations society has for business, and making decisions that fairly balance the claims of all key stakeholders. The main objective of this article is to analyse the implementation of corporate social responsibility practices in India.

Keywords: *Corporate Social Responsibility (CSR), Central Public Sector Enterprises (CPSEs), Department of Public Enterprises (DPEs),*

Introduction

Corporate social responsibility (CSR) is gaining more and more importance day by day.CSR has become increasingly important to companies/businesses over the last few years, with more and more companies responding to stakeholders' calls for increased accountability by incorporating and integrating CSR into their organization/business policies. Mahatma Gandhi, the charismatic visionary leader who brought the cause of India's independence from British colonial rule, was a person who in several respects was ahead of his time. His view of the ownership of capital was one of trusteeship, motivated by the belief that essentially society was providing capitalists with an opportunity to manage resources that should really be seen as a form of trusteeship on behalf of society in general. The idea of CSR first came up in 1953 when it became an academic topic in HR Bowen's "Social Responsibilities of the Business". Since then, there has been continuous debate on the concept and its implementation. Although the idea has been around for more than half a century, there is still no clear consensus over its definition. CSR is understood to be the way firms integrate social, environmental and economic concerns into their values, culture, decision making, strategy and operations in a transparent and accountable manner, and thereby establish better practices within the firm, create wealth and improve society. These elements of CSR are frequently interconnected and interdependent, and apply to firms wherever they operate in the world. Today, the world is coming round full circle in emphasizing this

concept through an articulation of the principle of social responsibility of business and industry. And this trend is no different in India either. A much less publicized but deeper aspect of the importance of CSR in India comes to light when one considers CSR as a concept that covers a range of issues under the fabric of sustainable development. This is a crucial terminology for developing nations in the world today. CSR is viewed as a comprehensive set of policies, practices and programs that are integrated into business operations, supply chains, and decision-making processes throughout the organization wherever the organization does business and includes responsibility for current and past actions as well as future impacts. CSR involves addressing the legal, ethical, commercial and other expectations society has for business, and making decisions that fairly balance the claims of all key stakeholders.

Review of Literature

The idea of CSR first came up in 1953 when it became an academic topic in HR Bowen's "Social Responsibilities of the Business". Since then, there has been continuous debate on the concept and its implementation. Christian Superti (2005**)** corporate responsibility (CR) has gained a lot of attention during the last decade and many more companies are producing non-financial reports today than ten years ago. Although a widespread definition is not available CR means that businesses are pursuing their economic, social and environmental responsibilities on a voluntary basis and are integrating them into all business operations, while interacting with their stakeholders. Ball Kim (2008)

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proposed a shift in view from corporate social responsibility to corporate social performance (CSP) as a means to assess CSR policies and practices. A harmful product category was chosen to illustrate how corporate social performance using a consumer's point-of-view can be assessed. Jones Brian (2009**)** explored and explained corporate social responsibility (CSR) as a theoretical construct that has implications and consequences for corporate governance in particular, and more generally for the economy, business and society.

Objectives of the Study

1. To understand the concept of Corporate Social Responsibility.
2. To know the challenge of CSR in India.
3. To know the government legislation in India.
4. To analyse the initiatives taken by Corporate Sector in India.

Research Methodology

The present study is based on mainly secondary data. The secondary data consisted of published annual reports for the concerned years of Ministry of Corporate Affairs, Government of India, New Delhi, Journal, reference books, website of concern department etc. Figures related to CSR are taken from Department of Public Enterprises, Ministry of Corporate Affairs, and Government of India. These were compiled, tabulated and analysed.

CSR and Corporate Sector in India

Since businesses play a pivotal role both in job and wealth creation in society and in the efficient use of natural capital, CSR is a central management concern. It positions companies to both proactively manage risks and take advantage of opportunities, especially with respect to their corporate reputation and the broad engagement of stakeholders. The latter can include shareholders, employees, customers, communities, suppliers, governments, non-governmental organizations, international organizations and others affected by a company's activities. United Nations' (UN) studies and many others have underlined the fact that humankind is using natural resources at a faster rate than they are being replaced. If this continues, future generations will not have the resources they need for their development. In this sense, much of current development is unsustainable—it can't be continued for both practical and moral reasons. Related issues include the need for greater attention to poverty alleviation and respect for human rights. CSR is an entry point for understanding sustainable development issues and responding to them in a firm's business strategy.

CSR and Government Legislations

In 2009, the government made it mandatory for all public sector oil companies to spend 2 per cent of their net profits on corporate social responsibility. The central government is working on a framework for quantifying the CSR initiatives of companies to promote them further. To ensure the active participation of public sector companies in CSR initiatives, the government in planning to introduce certain legislations. The Department of Public Enterprises (DPE) has prepared guidelines for central public sector enterprises to take up important corporate social responsibility projects to be funded by 1 to 5 per cent of the company's net profits (table-1):-

Table - 1 : Framework for Budgetary allocation for CSR and Sustainability

Sl. No.	PAT of CPSES in the Previous year	Range of the Budgetary allocation for CSR and Sustainability activities (as % of PAT in previous year)
1.	Less than Rs. 100 crore	3%-5%
2.	Rs. 100 crore to Rs. 500 crore	2%-3%
3.	Rs. 500 crore and above	1%-2%

Source: Department of Public Enterprises, Ministry of Corporate Affairs, Government of India

Conclusion

Today, CSR in India has gone beyond merely charity and donations, and is approached in a more organized fashion. It has become an integral part of the corporate strategy. Corporate sustainability is an evolving process and not an end. The Companies bill is a good initiative on the part of the government however what would be included in 'spending' on CSR is unclear and is left for the companies to decide. Across the globe, the concept of CSR has

been accepted as an element for success and survival of business along with fulfilling social objectives. However, the challenge for the companies is to determine a strong and innovative CSR strategy which should deliver high performance in ethical, environmental and social areas and meet all the stakeholders' objectives. It is observed that many companies are promoting their CSR activities and uses it as a tool for Marketing. This denotes that the companies are far from perfect as the emphasis is not on social good but rather as a promotion policy.

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ROLE OF GESTURES AND POSTURES IN TEACHING FOR GENERATING INTEREST IN PROFESSIONAL COURSES STUDENTS

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Abstract

The non-verbal communication and body language are the means and ways for an effective teaching and to gain the confidence. Hence, the authors presenting the use of gestures and postures in the classroom teaching of the management and engineering students along with some practical hints and tricks to build good and real lecture for the benefit of the present and potential teachers (instructors) especially, Graduating/Teaching Assistants in Indian Universities or Colleges or Technical Institutes. In teaching – learning process inspiring the students of management, technical and engineering in universities, colleges, technical institutes or higher educational institutes in India is challenging task of the instructors and teachers.

Key Words: Teaching- Learning, Management, Communication, Gestures, Postures.

Introduction:

In teaching – learning process motivating the students of management, technical and engineering in universities, colleges, technical institutes or higher educational institutes in India is a challenging task of the instructors and teachers. To this endeavor, teachers should gain the love and respect of the students by giving them confidence and faith. To gain the confidence and cooperation of the students, a teacher should create a good impression in the minds through his/her teaching, attitude and behavior. It is a fact that the effective teaching involves a lot of communication. The communication is essentially through the usage of a language. The non-verbal communication and body language are the means and ways for an effective classroom teaching and to win the confidence. Hence, the authors presenting the use of gestures and postures in the classroom teaching of the management and engineering students along with some practical hints and tricks to build good and real lecture for the benefit of the present and potential teachers especially, graduating/teaching Assistants in Indian Universities or Colleges or Technical Institutes. The authors have been collected the information from the opinions of the students of management, engineering and education on the real causes of lack of interest in studies through scheduling and interview techniques.

A. Techniques for Generating the Interest of Management and Engineering Students in Studies:

The following are some of the reasons for the lack of interest in studies on the part of weaker students in Indian Educational Institutions:

(a)　Conventional teaching styles.

(b)　Wrong choice of courses chosen.

(c)　Communication gap.

(d)　Lack of interest on the part of the teacher

(e)　Inadequate library and laboratory facilities in the institute.

(f)　Improper guidance.

The following are some of the **techniques for generating interest** in studies:

(i)　To　Apply Innovative Teaching Style and Aids:

It is observed that the majority of teachers in management and engineering or higher educational institutions in India are adopting the conventional teaching style "Chalk & Talk" but conventional method of teaching is not found very effective especially in case of weaker students in colleges or universities in India. In such cases, the authors are suggested that the teacher can make use of various types of audio-visual aids such as OHP transparencies, slides and films strips, video programs, charts and other modes. The use of audio- visual aids play an important role in modern day teaching and help the teachers in creating and maintaining interest of learners including the weaker ones thereby making the process teaching – learning more　effective in Indian Educational Institutions.

(ii)　To Overcome Semantic Barriers:

It is found that majority of the students, who are hailing from rural background understand only the local languages, like Telugu, Hindi, Urdu, Malayalam, Tamil, Bengali, Odessa, etc., as a result they are unable to understand the subject matter especially in management and engineering disciplines because these books are available in English version only. Sometimes, the teachers especially expatriates cannot effectively communicate in their local

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colloquial language, which results in a communication gap. It is suggested that in order to overcome this communication barrier, the University / College teacher should use simple language to the extent.

(iii) To Communicate on the part of Teacher:

For creating the interest of the students on studies, taking of interest on the part of teacher himself/herself is a prerequisite. The University / College teacher should set an example by his/her full commitment for the welfare of students. This will not only generate a liking for the teacher and subject by the students but will also motivate them to work hard and strive for an academic excellence.

(iv) To Provide Adequate Library and Laboratory Facilities:

It is also essential on the part of institutes in India to keep library and laboratory facilities up-to date. The Libraries should be well accessed with latest editions and the laboratories should have the latest equipment and reagents and also that too in working order. This will help the weaker students in class room in a better way.

(V) To Make the Provisions for Reward:

The management and engineering students, who excel in their studies should be properly recognized the way to win the various rewards, praise, social recognition, etc., This will also encourage the students to do well in their studies.

(v) To Give Feedback:

It is observed that majority of teachers in Educational Institution are not giving students feedback. It is suggested that the teachers should give feedback to the students about their performance at regular intervals. A satisfactory feedback will encourage the students especially the weaker ones to perform still better.

B. Use of Gestures and postures in Classroom:

It is a fact that, the effective teaching involves a lot of communication. The communication is essentially through the usage of language. The non-verbal communication and body language are the means and ways for an effective classroom teaching.

(i) Non-Verbal communication:

Effective teaching involves a lot of communication. Human communication is essentially through the use of a language. But there are other modes of communication are observed to use alongside language. These non-verbal modes were the most ancient means of communication among the humans. In fact they have the power of changing the very meaning of verbal items. For example, when we say "good" the seeing the work of a student we appreciate him, but if we shake out head horizontally, while saying "good" the meaning conveyed is quite the opposite of that of the word. Similarly, in the course of your lecture to a class, if you abruptly stop a while the prevailing silence would prove to be very effective in controlling the class justifying the fact that silence is at times more effective than speech strategies of using non-verbal communication in a classroom.

(ii) Body Language:

Because of the form-function relationship between gestures and language in conveying the intention of the communicators to communicate, gestures are systematized to deserve the term body language. Body language comprises four items-whole body movement, movement of limbs, facial expressions and oral gestures.

(iii) Whole Body Movement:

According to an old dictum, Man is constituted of two parts-personality (half), and dress(half). By personality it means the body-build, the appearance, the posture and the stature. Whether deficiency occurs in the above constitutes of the half, the style, grandeur and quality of dress worn by the individual make up the other half. This turns to be true in most cases of our personal presentation before any group for any purpose including teaching. As a teacher has to set an example and to make an impact on the students there is an express need to follow the above dictum in terms of personality and dress.

During teaching the teacher needs to appear confident, relaxes, mastery and effective. The posture he takes to stand before the whole group should be attractive like standing erect to the whole class lecturing, standing sideways near the chalkboard while noting on the board and sitting in the chair (Not on the table or the student desk or at the window sill etc.,) while discussing or clarifying in groups smaller than the whole class, repeated headshakes or other mannerism will be a distraction to students.

(iv) Standing position:

To stand in one position throughut the class time is very tedious both to the teacher and also to the students. Slight movements inside or in front of the class would prove very effective. Histrionic jerks and too frequent moves are to be avoided, as they would distract students 'attention from the teachers' essential communication. To be visible to all students

in the class, the teacher has to choose a vantage position, as his communication would be very effective and mixed with visual postures to be observed by all students listening or his oral presentation.

(v) Facial Expression:

Facial expressions provide quite a lot enhancement to the meaning conveyed orally, Cheerful, pleasant and smiling face electrifies the classroom atmosphere and contributes to the teacher-student rapport vital to the process of learning. Even in the case of physiological features of the face, it would be worthwhile to make up the deficiency, if necessary, with certain amount of artificially to present an attractive visage in a classroom. Winking, smiling, nodding and shaking of head and keeping eye bright have their own roles to play for effective communication. The subject mastery, sincerity and interest in teaching and language proficiency contribute to the naturalness of facial expressions.

(vi) Movement of limbs:

The limbs-movements add the necessary punch and persuasiveness to the content of the communication. To a class of 50 to 60 students, a teacher has to communicate several ideas of variety of importance and range of inter-linking. Like Mudres of dance (light Ethiopian Dace-ESIKESTA), the palm and figure add to visual communication of the teacher. It is often advocated that the key learning items should be written on chalk or in capital letters or with an underlining. Similarly, key concepts are uttered with appropriate punches gestures by hand movements. Fingers and palm cause very purposeful gestures for specific concepts, formal or functional. Arm movements indicate large-scale rotary or vertical or horizontal mobility required to the perceptible knowledge expressed clearly by the teacher.

Conclusion:

It is a fact that, the effective teaching involves a lot of communication. The communication is essentially through the usage of language. The non-verbal communication and body language are the means and ways for an effective classroom teaching and to gain the confidence of the students. If the lecture begins well, it is apt to end well. Before the class is concluded, give a quick summary (3 to 4 minutes). The timing should be so planned that you never miss the all-important summary. Finally, the author is suggested to the managements of the teaching Institutions other Higher Educational Institutes in India to organize a week end program once in a month for their teachers/ instructors especially teaching/ graduate Assistants on the real practical hints, tricks or tips for winning the confidence of students in Indian Higher Educational Institutions by experts in psychology and to cater the academic needs and interest of the students in the changing educational scenario.

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