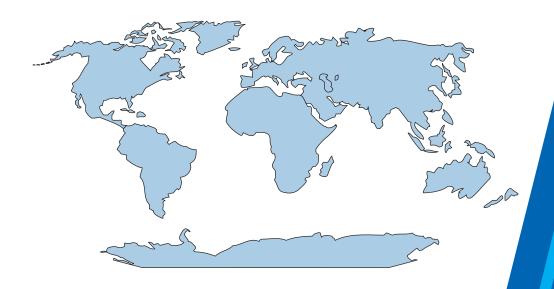
# INTERNATIONAL JOURNAL OF RESEARCH IN MANAGEMENT & SOCIAL SCIENCE



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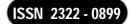
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#### FACTORS INFLUENCING THE USE OF CONTRACEPTION

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#### **ABSTRACT**

In order to stabilize the growth of population over a reasonable period of time, Government of India has accorded high priority to the family planning programme. Studies on birth control measures suggest that among the various factors of fertility determinants none has more direct effect on the individual than the use of contraceptive methods (Ross, 1983). This paper is focused on the relative significance of factors affecting current use of contraceptive methods in different socio-economic and demographic settings. No such study is done earlier for population of North East region of India. The difference between the characteristics of users and non-users of the contraceptive methods and the factors influencing use of contraceptive among couples are assessed. That is, the subject that distinguishes married couple who practice contraception from those who don't use contraception and some of the socio-economic and demographic correlates of these reasons were examined. The study also distinguishes the relative significance of the use of contraception between the women who underwent induced abortion or who did not. The interaction effect of the factors for practicing is also considered. Here logistic regression analysis is used to estimate relative impact of selected demographic and socio-economic variables on contraceptives use by two categories of women, current user and non-user. The study reveals that husband's education, rural and urban areas, caste and strong cultural preference for sex composition of living children or parental attitude to achieve desired number of children, were the major determining factors while accepting family planning method.

Keywords: Contraceptive, Current user and non-nonuser, Induced abortion, regression analysis, Sex composition.

#### 1. INTRODUCTION

Nowadays the relationship between levels of contraceptive use and the incidence of induced abortion continuous to provoke heated discussion with some observers arguing that incidence of abortion decreased as contraceptive prevalence rises and others claiming that increased use of family planning methods causes abortion incidence to rise (Cohen, 1998; Bongarts et al, 2000; Marston et al, 2003. Rising contraceptive use results in reduced abortion incidence in setting where fertility itself is constant. The biological determinants of human reproduction indicate that contraception and induced abortion represent alternative means of achieving the same aggregate level of fertility in population. If fertility and its other determinants (sexual exposure, lactation and pathological infertility for example) remain constant, a rise in contraceptive use or ineffectiveness of use must lead to a decline in induced abortion and vice versa (Marston et al. 2003). At a given total fertility rate, reliance on abortion rises with the proportion of women using traditional method. Where modern contraceptive are the principal methods used, abortion rates are far lower. Thus the risk of unwanted births is largely influenced by the unreported years of exposure to pregnancy. So, if the couples accept a proper method very early, it is possible not only to avoid a large number of unwanted births but also to reduce the fertility. So there is a need to do more intensive study on the factors influencing the use of contraception. In order to stabilize the growth of population over a reasonable period of time, Government of India has accorded a high priority to the family planning programme.

Determinants and variation in relation to the use of family planning method has received considerable attention among researchers (Rajaretnam,1995; Phillips et al, 1997; Fikree et al 2001; Bora et al, 2001; Roy et al, 2003). Also some researchers concentrate on the role of services of family planning programme. Goyal (1987) reported that proper management of available resources is more important than increasing the outlays on the programme. Richard et al (1995) demonstrated that the influence of family planning on the number of children ever born is lower than the influence of age at marriage even after adjusting for current age and is true in both the rural and urban areas. Also he suggested that increase of age at marriage should be advocated more vigorously for faster reduction in fertility. Strong cultural preference for sex composition of living children or parental attitude to achieve desired number of male and female children was the major determining factor while accepting methods, especially at the higher level of adoption. A study conducted by Steel et al (1996) in China on discontinuation of contraception, they observed that the women's age at the start of use of the method, method of contraception

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used, number of living children, level of education and region of residence are significant reasons for most of the types of discontinuation. Marston et al (2003) conducted their study on "Relationship between contraception and Abortion". They found in seven countries (Kazakhstan, Kyrgyz Republic, Uzbekistan, Bulgaria, Turkey, Tunisia and Switzerland) abortion incidence declined as prevalence of modern contraceptive use rose and in six others (Cuba, Denmark, Netherlands, The United States, Singapore and The Republic of Korea) levels of abortion and contraceptive use rose simultaneously.

This chapter is focused on the relative significance of factors affecting current use of contraceptive methods in different socio-economic and demographic settings. No such study is done for population of North-East region. The difference between the characteristics of users and non-users of the contraceptive methods and the factors influencing use of contraceptive among couples are assessed. That is, the subject that distinguishes married couple who practice contraception from those who do not use contraception and some of the socio-economic and demographic correlates of these reasons were examined. The study also distinguishes the relative significance of the use of contraception between the women who underwent induced abortion and who did not. The interaction effect of the factors for practicing is also considered because the factors affecting the risk of one type of continuation may not be the same as those affecting the risk of another type because the same factors may affect the risk in different way with other factors.

#### 2. DATA

The present study is based on the data that was collected through a retrospective survey. The data was collected from Guwahati Medical college and Hospital (GMCH), Guwahati, during the year 2010-2012 through a survey under the auspices of department of Statistics Gauhati University. The total sample size is 1038. To analysis the effect of different factors on contraceptive practice among married women we consider here some contraceptive related background variables. Here current contraceptive use status is the central variate for which women are classified into two groups as i) practicing contraception (current users) and ii) not practicing contraception (past user and who discontinue have been including in the non-users group). The woman are categorized into two groups as i) exposed group(who underwent induced abortion) and ii) control group(who did not undergo induced abortion). Covariates which affecting the contraceptive practice considered here-tried for delaying pregnancy, area of residence, social status, number of child at present, caste, present age of wife, mother's tongue, wife and husbands occupation, plan for more children, happy with the number of children, occupation of wife and occupation of husband. The affect of the factor tried for delaying pregnancy on contraceptive practice is classified as i) did not try for delaying pregnancy and ii) tried for delaying pregnancy. The woman are categorized into two groups by their place of residence as i) urban and ii) rural. The factor social status is considered here to observe its effect on contraceptive practice. Also women are classified into two groups by their number of children they have at present as (i) number of children ≤3 and (ii) number of children >3. To observe the affect of present age of wife females were classified into three categories as (i) age < 25 (ii) 25 ≤ age <35 and (ii) age ≥35. On the basis of caste system that prevails in the Hindu society and also considering Muslim community the female population had been classified into four groups viz. (i) upper (ii) middle (iii) low and (iv) Muslim. As most of the respondents are from Assamese and Bengalee community, so women are classified into two groups by their level of education (E) as (i) E < Middle English School (ME) and (ii)  $E \ge$ Middle English School (ME). The variable plan for more children classified as (i) do not want another and (ii) desire for one and more. Also to observe the affect of the factorn happy with the number of children they have is classified as (i) information not available and (ii) desire for more. Towards the work status, women are classified into two groups viz. (i) working woman and (ii) housewife. Similarly the work status of husbands are classified as (i) non-manual worker and (ii) manual worker. Meson, rickshaw puller, washer man, carpenter, daily labour, cultivator etc. are considered in the manual group. Government and Private service holder, businessman and other professionals are considered in the non-manual group.

#### 3. ANALYTICAL METHODS

Here logistic regression analysis is used to estimate relative impact of selected demographic and socioeconomic variable on contraceptive use by two categories of women. Current users and non-users(past users and who discontinue have been included in the non-users category). It helps in comparing the effects of different variables considered in the study. The variables in the analysis pertaining to the respondents are –

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group, tribe for delaying pregnancy, number of child at present, present age of wife, mother's education, plan for more children, education of husband, present occupation of husband, happy with the member children at present, social status, area and caste. Interaction effect of control group women with did not try for delaying pregnancy is also estimated. Table -3.and table -4 present the  $\beta$  coefficients of the independent variables in the logistic regression estimations.

#### 4. RESULTS

Percentage distribution of married women of their current use of different family planning method is calculated in Table-1. It is observed from the table that 231 (22.3%) women are currently practicing different method of contraception and 807 (77.8%) women are not using any contraception present. Among the 231 contraceptive method users 163 (15.7%) women practices intra uterine devices (IUD), 41 (3.9%) men performed vasectomy, 6(0.6%) women performed tubectomy, 12 (1.2%) women take pills and (4(0.6%) persons use condom. Table -2 presents the percent distribution of married women of their contraceptive practice by some selected characteristics. In this table we have taken 516(49.7%) women from exposed group and 522 (50.3%) women from control group. It is observed from the table that there is a significant difference in contraception practice between the women who did not try for delaying pregnancy and women who tried for delaying pregnancy. It is 716 (68.9%) for the former group and 322 (31.1%) for the later group. With respect to social status there is also a significant difference between the medium and low social status group. 450 (43.3%) women belong to the medium social status group and 588 (56.7%) women belong to the low social group. Towards the region of residence there is a significant difference between the urban and rural women. 901 (86.8%) women from urban area and 137(13.2%) women from rural area. There is also a significant difference between the woman whose number of child at present is less than equal to 3 and the women whose number of child at present is greater than 3. It is 924 (88.9%) from the former group and 114(11.1%) for the later group. In case of caste 364(35.1%) from upper caste, 178(17.2%) from middle, 355(34.2%) from lower caste and 141(13.6%) women from Muslim community. Out of 1038 women, 265(25.5%) women whose present age is less than 25, 650(62.6%) women whose present age is in between 25 to 35 and 123(11.9%) women whose present age is greater than 34. With respect to education 467(45.0%) women who acquired education less than ME and 571 (55%) who acquired education greater than ME. Regarding husband's education there is a significant difference between the women whose husband's education is greater than equal to ME and the women whose husband's education less than ME. It is 268(25.9%) for the former group and 770(74%) for the later group. With respect to the factor plan for more children there is a significant difference between the women who do not want another child and the women who desire for another or more. It is 648(62.4%) for the former group and 390(37.6%) for the later group. Regarding occupation of wife there is a significant difference between the housewife and workingwoman. 976(94%) women are housewives and 62(6%) women working women. There is also a clear difference between the women regarding their husband's occupation. There are 735(70.7%) women whose husbands are in non-manual job and 303(29.3%) women whose husbands are manual worker.

Result from the logistic regression are presented in Table -3 and Table- 4. Table -3 estimates the effect of the variables-group, tried for delaying pregnancy, number of child at present, present age of wife, mother's education, plan for more children, education of husband, present occupation of husband, happy with the number of children at present, social status, area of residence and caste. In Table-3 we observe that control group women have a negative significant association with the contraceptive practice. The risk of contraceptive use for control group women is 42% less than the exposed group. In case of the women who tried for delaying pregnancy have 2.4 times more likely to practice contraception than the women who did not try for delaying pregnancy. Again education of husband plays an important role in contraceptive practice. The women whose husband's education is ME and more than ME have 28% higher risk of accepting contraception. It has also been seen that upper caste women have negative significant influence on contraceptive practice. Upper caste women have 25% less risk to accept contraception as compared to Muslim and other caste. Other co-variates like wife's age in between 25 to 35, number of child at present, desire for more children, rural women and middle caste women have negative association with the contraceptive practice.

Table- 4 obtained from Table-3 by excluding present age of wife and including interaction effect of control group and tried for delaying pregnancy. In this table also control group women have negative significant effect on contraceptive use. This group has 43% less risk to practice contraception as compared to exposed group. Similarly the women with their husband's education ME and more than ME have 28% more likely to accept contraception as compared to the women with their husband's education less than ME. The women who tried for delaying pregnancy are 2.6 times more likely to accept contraception as compared to the women who did

not try for delaying. The factor not happy with the children already has and desire for more children is found to be negatively significant. These women have 21% less risk to accept contraception as compared to the women who are happy with the number of children they already have. In case of caste, upper caste shows a negative significant affect on contraceptive use. The upper caste women have 25% less risk to accept contraception as compared to Muslim and other caste. Also middle caste women have negative association and lower caste women have no significant effect or contraceptive use. On examining the interaction effect of control group and tried for delaying pregnancy we observe that it has a negative significant bearing on the contraceptive use. It is found that the women who belong to control group and did not try for delaying pregnancy have 17% less risk of accepting contraception than that of exposed group women who tried for delaying pregnancy.

#### 5. CONCLUSION

Education of husband was found to have a significant positive relationship with contraceptive practice. Husband's education is to large extent, the reflection of the standard of living of the family. It is associated with family income, occupation and life style that affect health care practice and consequently the well being of the family. An educated husband may have better knowledge of health care and is more likely to pay attention to preventive reproductive health care for their family. In our study wives education was also found to have positive association with contraceptive practice. Women who tried for delaying pregnancy have a significant positive association with the contraceptive use. Women who are more conscious about birth control may have easy access to contraceptive. Also in some cases they seek the advice from doctor/nurses to accept the family planning methods which are suitable for them. When the number of children at present is taken into account, our findings have negative relationship with contraceptive practice if the women have less than three children. The fact behind this is that the couple still not reaching to the desired number of children they want. Similarly when the couple are not happy with the present number of children and desire for more, there is negative association with contraceptive practice. In Bihar and Rajasthan also the impact of number of surviving sons on contraceptive use rates is found to be one of the highest (Kantikar et al, 1983). In south India, studies have shown that couples prefer to have at least two sons and one daughter before initiating contraceptive use (Rajaretnam et al. 1994). Thus husband' education, caste and strong cultural preference for sex composition of living children or parental attitude to achieve desired number of children were the major determining factor while accepting family planning method.

Table-1: Percentage distribution of women of their current use of different family planning method.

Family Planning Method	Frequency	Percentage
Condom	4	0.4
Pill	12	1.2
Tubectomy	6	0.6
Vasectomy	41	0.6
IUD	163	15.7
Natural Method	5	0.5
Not Using	807	0.5
Total	1038	77.7

Table 2. Percentage distribution of women of their current contraception use by some selected characteristics.

Characteristics	Frequency	Percent	$\chi^2$
<b>Current contraceptive Use Status</b>			
Practicing contraception	231	22.3	319.63***
Not practicing contraception	807	77.8	
Group			
Exposed Group	516	49.7	0.035***
Control Group	522	50.3	
Tried for Delaying Pregnancy			
Did not try	716	68.9	148.65***
Tried for delaying	322	31.1	
Social Status			
Medium	450	43.3	18.59***
Low	322	56.7	
Area			

Urban	901	43.3	562.32***
Rural	588	56.7	
No. of Child at Present			
Number of child present $\leq 3$	924	88.9	629.91***
Number of child at present $\geq 3$	114	13.2	
Caste			
Upper	364	35.1	
Middle	178	17.2	156.94***
Lower	355	34.2	
Muslim	141	13.6	
Present Age of Wife			
Age <25	265	25.5	
$25 \le Age < 35$	650	62.6	428.09***
$Age \ge 35$	123	11.9	
<b>Mother Education</b>			
Education < Middle English School	467	45.0	10.61***
Education > Middle English School	571	55.1	
Education of Husband			
Education < Middle English School	268	25.9	241.58***
Education > Middle English School	770	74.2	
Plan for More Children			
Do not want	648	62.4	64.13***
Desire for one or more	390	37.6	
Happy with the Number of Children			
Not available	630	60.7	47.48***
Desire women	408	39.3	
Present Occupation of Wife			
Housewife	976	94.0	804.81
Working women	62	6.0	
Present Occupation of Husband			
Non-manual worker	735	70.7	178.79***
Manual worker	303	29.3	

<sup>\*</sup> Significant at 0.1 level \*\* Significant at 0.05 level \*\*\* Significant at 0.01 level.

Table 3. Coefficients of Logistic Regression for married women who practice Contraception by different characteristics.

Co-Variate	Parameter Estimate β	<b>Exp</b> (β)	SE
Intercept	1.8276***	6.219	0.208
Group (a)			
Control group	-0.5521***	0.576	0.095
Tried for delaying pregnancy (b)			
Tried for delaying	0.8712***	2.390	0.095
Number of Child at Present (c)			
Number of child $\leq 3$	-0.2138	0.808	0.162
Present Age of Wife (d)			
Age < 25	0.1285	1.137	0.162
$25 \le Age < 35$	-0.0004	0.1	0.121
Mother's Education (e)			
Education > Middle English School	0.0541	1.056	0.106
(ME)			
Plan for More Children (f)			
Desire for one more	-0.0478	0.953	0.232
Education of Husband (g)			
Education $\geq$ (ME)	-0.2500**	1.284	0.232
Present Occupation of Husband (h)			
Manual worker	-0.0520	0.949	0.40

Happy with the number of child (i)			
Not happy and desire for more	-0.1703	0.843	0.40
Social Status (j)			
Low	0.1262	1.135	0.109
Area (k)			
Rural	-0.1832	0.833	0.134
Caste (I)			
Upper	-0.2847**	0.752	0.139
Middle	-0.299	0.971	0.173
Lower	0.1454	1.157	0.145

<sup>\*</sup> Significant at 0.1 level \*\* Significant at 0.05 level \*\*\* Significant at 0.01 level.

#### Omitted categories:

(a) Exposed group

(b) No/Self/Husband/Advice of other

(c) Number of child at present > 3

(d) Age  $\geq 34$ 

(e) Education < ME

(f) Do not want

(g) Education < ME

(h) Non Manual

(i) Not available

(j) Middle

(k) Urban

(l) Muslim

Table -4. Coefficients of Logistic Regression for married women who practice Contraception by different characteristics.

Co-Variate	Parameter Estimate β	Exp (β)	SE
Intercept	1.8093***	6.106	0.203
Group (a)			
Control group	-0.5580***	0.572	0.096
Tried for delaying pregnancy (b)			
Tried for delaying	0.9433***	2.568	0.094
Number of Child at Present (c)			
Number of child $\leq 3$	-0.1886	0.828	0.157
Mother's Education (d)			
Education > Middle English School (ME)	0.0466	1.048	0.105
Education of Husband (e)			
Education $\geq$ (ME	0.2440**	1.276	0.49
Present Occupation of Husband (f)			
Manual worker	-0.0567	0.945	0.40
Happy with the number of child (g)			
Not happy and desire for more	-0.2347**	0.791	0.098
Social Status (h)			
Low	0.1251	1.133	0.109
Area (i)			
Rural	-0.1733	0.841	0.132
Caste (j)			
Upper	-0.2999**	0.751	0.138
Middle	-0.0295	0.971	0.172
Lower	0.1266	1.135	0.144
Interaction <sup>(k)</sup>			
Control group* did not try for delaying	-0.1873*	0.829	0.094

<sup>\*</sup> Significant at 0.1 level \*\* Significant at 0.05 level \*\*\* Significant at 0.01 level.

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Omitted categories:

(a) Exposed group (b) Did not tried for delaying pregnancy

(c) Number of child at present > 3 (d) Education > ME

(e) Education < ME (f) Non Manual

(g) Not available (h) Middle (i) Urban

(j) Muslim (k) Exposed group and tried for delaying

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# MAPPING AND ASSESSMENT OF SURFACE WATER RESOURCE IN DHEMAJI DISTRICT OF ASSAM USING REMOTE SENSING AND GEOGRAPHIC INFORMATION SYSTEM

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#### **ABSTRACT**

Dhemaji district of Assam has a dense network of surface streams and mapping of these streams helps in the assessment of surface water resource potential in the district. The annual rainfall of the district ranges from 2600 mm to 3200 mm and during the Monsoon most of the surface streams inundate. For mapping of surface water resources in the district Geographic Information System and Remote Sensing Satellite imagery have been used. Vector database has been generated using Google Earth online interface, while Landsat satellite imagery has been used to generate raster database. Triangulated Irregular Network model of the district is generated to understand the terrain condition. NDVI and NDWI are also calculated for assessment of water cover areas. In order to find out the water spread area during Monsoon season Buffers are generated with a width of 150 meters. The entire study may lead to provide meaningful knowledge for sustainable management of water resources in Dhemaji district along with neighbouring areas.

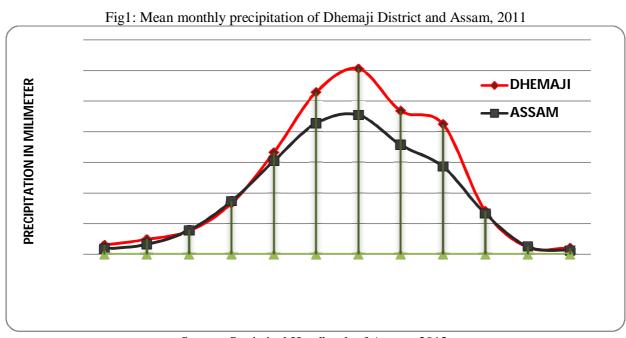
Keywords: water resource, mapping, remote sensing and GIS.

#### INTRODUCTION

Surface water resources are the integral part of the human-environment system. Land surface water is the important part of the water cycle (Li, W. et al, 2013). Surface water resource mapping in Dhemaji district using Remote Sensing (RS) and Geographic Information System (GIS) techniques generates knowledge and information on surface water resource estimation, flood assessment and resource-base development planning. Dhemaji district is a high rain-fed region of Assam where average annual rainfall ranges from 2600 mm to 3200 mm which results numerous surface water resource in the form of streams, wetlands and other water cover areas. Both vector and raster approaches have been used for mapping and estimation of surface water resources digitally.

#### STUDY AREA

Dhemaji district is located in the easternmost part of Assam covering a geographical area of 3237 sq. Km. The extension of the district is between 27°16′55″ N to 27°52′19″ N latitudes and 94°12′29″ E to 95°26′38″ E longitudes. The district is bounded by Arunachal Himalaya to its north and east, Brahmaputra river to its south and Lakhimpur district to its west. The average annual rainfall of Dhemaji district ranges from 2600 mm to 3200 mm.



Source: Statistical Handbook of Assam, 2012.

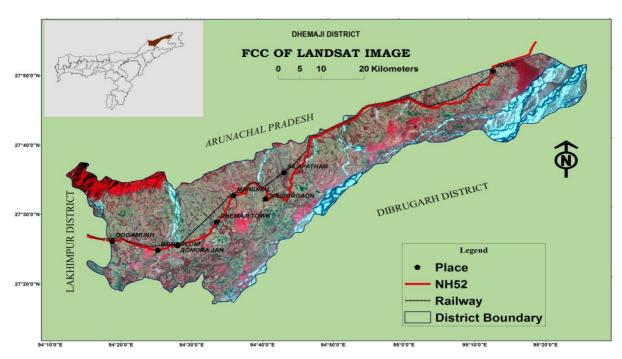


Fig2: Location of Dhemaji District, Assam

Subansiri, Na-nai, Kumatia, Dihingia, Jiadhal, Moridhal, Telijan, Sissi, Gai, Tangani, Guttong are some of the major rivers of the district. Dhemaji district shelters a population of 6,88,077 persons as per 2011 census with a density of 213 persons/Km² and literacy rate of 69.07%.

#### **OBJECTIVES**

The objective of the study is to map and to assess the surface water resource in Dhemaji district in order to estimate its status and potentiality.

#### **METHODOLOGY**

To deal with the objective, Google Earth online interface and two satellite imageries, namely Landsat 8 and ASTER DEM Version 2 have been used as the dataset (Wondie, M. et al, 2011; Wenbo, L. Et al, 2013; Deilami, K. et al, 2012).

#### Table1: Dataset Specification

*Google Earth*, DigitalGlobe, date- 2006-2013(mosaic), Eye altitude at 6.30 km, kml/kmz, WGS84, Google.

*Landsat8* OLI\_TIRS, path135/row41, date- 27/01/2014, spatial resolution 30m, 11 band, Geotiff, WGS84\_UTM46N, utilized band2(blue), band3(green), band4(red), band5(near infrared), United States Geological Survey.

ASTER DEM, V2, date-2014, pixel size≈30m, Geotiff, WGS84 UTM46N, NASA

For surface water resource mapping in the study area, both vector analysis and raster analysis are used. Under vector analysis, surface water streams/networks are digitized in Google Earth online interface, and then buffer is generated in GIS environment. Triangulated Irregular Network (TIN) model is also generated from ASTER DEM image in GIS environment. Under raster analysis, Normalized Difference Vegetation Index (NDVI) and Normalized Difference Water Index (NDWI) have been generated from Landsat image in GIS environment (Fuller, D. O., 1998 and Xu, H., 2006). Mathematically,

 $NDVI = \frac{NIN-RED}{NIR+RED} \text{ , the values of NDVI range between 0 to } \pm 1 \text{, and negative values or values close to 0}$  represent surface water areas, whereas positive values or close to 1 represent healthy vegetation; and GREEN-NIR

 $NDWI = \frac{SABBEN - MIR}{GREEN + NIR} \text{, the values of NDWI range between 0 to } \pm 1 \text{, and negative values or values close to 0}$  represent vegetation, whereas positive values or close to 1 represent surface water/deep water bodies. For satellite data analysis and surface water resource mapping, QGIS, ArcGIS and Erdas Imagine software packages have been used as tools.}

#### RESULTS AND DISCUSSION

Dhemaji district receives abundant rainfall and during monsoon the amount of rainfall exceeds the state average (Fig1). The district has numerous networks of surface water streams both perennial and annual. For mapping the surface water resource networks Google Earth online interface has been used to digitize the perennial and major streams of the district. Surface stream length, average surface stream density are calculated from the vector database generated from Google Earth (Fig3). The total length of surface stream networks of Dhemaji district is estimated 622 kms, whereas the average stream network density is estimated 19.22 percent. In monsoon the surface water streams of Dhemaji district are full of water because of the monsoonal rainfall in the upper catchment areas of these streams as well as in the district. To map the area of influence of these surface streams during monsoon, buffer is generated with a width of 150 metre in both sides of the streams (Fig4). A buffer is an area of specific width surrounding any spatial feature (point, line, area, etc.). The water coverage of the surface water streams (buffer streams) may vary from one location to another and the surface streams have probability of floods at various places of the district. A TIN model has been generated for Dhemaji district to understand the terrain (elevation) condition of the district. The surface

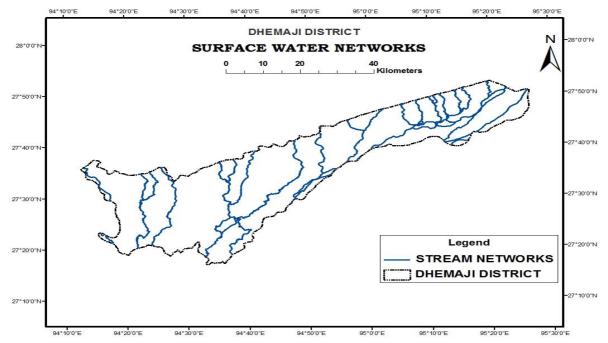


Fig3: Surface water networks, Dhemaji district

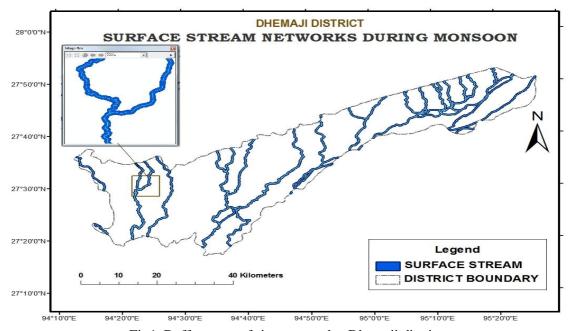


Fig4: Buffer areas of river networks, Dhemaji district

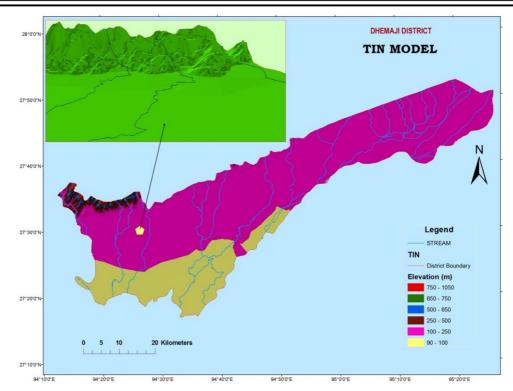
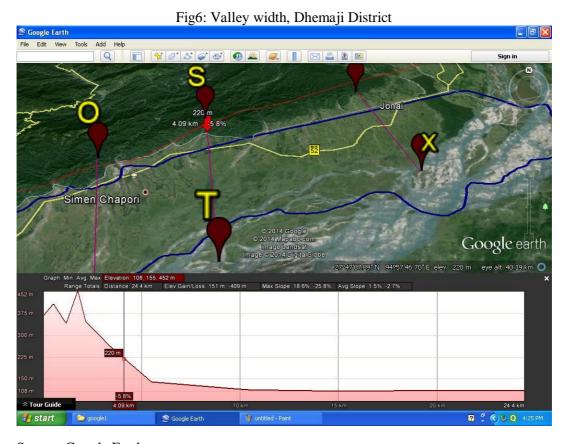


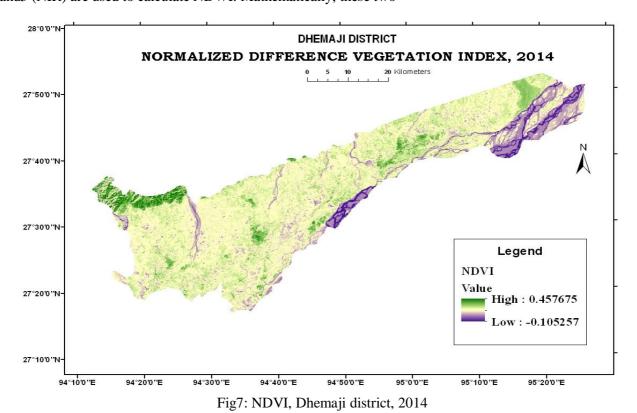
Fig5: Surface Terrain condition, Dhemaji district



Source: Google Earth.

water streams are placed on the TIN to know the relation between surface streams with elevation (Fig5). From the TIN it is observed that the southern and south-western parts of the district have lowest elevation (below 100 m), whereas the north-western corner of district shows highest elevation pattern (above 750 m). The valley width of Dhemaji district (between Arunachal hills to north and Brahmaputra river to south) is very narrow (approax. 25 kms), and therefore, there may be the probability of surface streams to cause floods and to flow at different directions ((Fig6).

Landsat8 satellite data has been used for surface water resource mapping in Dhemaji district under raster analysis approach. Two indices, namely, NDVI and NDWI are generated from the Landsat image to find out the surface water areas. Generally, NDVI is used to estimate the vegetation health status, and the negative values of NDVI represent water cover areas. In case of NDWI positive values represent surface water cover areas and negative values represent dense vegetation cover. Every pixel of surface water information has been extracted from the Landsat image of Dhemaji district using these indices. Landsat8 (OLI\_TIRS) satellite data consist of eleven spectral bands and from these only three bands have been used to calculate NDVI and NDWI. These three bands are band3 (Green, spectral resolution: 0.53-0.59, spatial resolution: 30m), band4 (Red, spectral resolution: 0.64-0.67, spatial resolution: 30m), and band5 (Near Infra Red, spectral resolution: 0.53-0.59, spatial resolution: 30m). To calculate NDVI, band5 (NIR) and band4 (RED) are used, whereas band3 (GREEN) and band5 (NIR) are used to calculate NDWI. Mathematically, these two



28°0'0" **DHEMAJI DISTRICT NORMALIZED DIFFERENCE WATER INDEX, 2014** 27°50'0"1 27°40'0"N 27°30'0"N Legend Value High: 0.140851 27°20'0"N 27°10'0"N 94°10'0"E 94°20'0"E 94°30'0"E 94°40'0"E 94°50'0"E 95°0'0"E 95°10'0"E 95°20'0"E

Fig8: NDWI, Dhemaji district, 2014

NDVI= $\frac{B5-B4}{B5+B4}$  and NDWI= $\frac{B3-B5}{B3+B5}$  indices are used in this study to map and to estimate surface water resource in Dhemaji district. The resultant values of NDVI for Dhemaji district is found to be -0.105 to 0.457, where high negative values represent surface water areas including rivers, wetlands, swamps, etc. Similarly, NDWI values found to be -0.401 to 0.140, where high positive values represent surface water areas including rivers, wetlands, swamps, etc. On the prepared NDVI map (Fig7), blue colour has been assigned to represent surface water areas with negative attribute values, whereas green colour represents forest areas with positive values. On the other hand, blue colour has been assigned for positive values to represent surface water areas and negative values with green colour for forest representation in case of the prepared NDWI map (Fig8). From the NDVI map of Dhemaji district, the surface water resource areas are estimated 588 sq. km representing approximately 18 percent area to the total geographical area of the district (Table2). On the other hand, from the NDWI map the surface water resource areas are estimated 623 sq. km representing approximately 19percent area to the total geographical area of the district (Table2). Around one fifth of the district is covered by surface water areas and this may provide prospect for sustainable water resource development (Table2).

Equation Result Threshold Pixel size Nos. of Total surface Percentage to value water water areas the total representing geographical pixel area -0.105B5-B4 < 0.004 30 m x 30 m 653543  $588.189 \text{ km}^2$ 18.17 B5+B4 to 0.457  $=0.0009 \text{ km}^2$ B3-B5 -0.401 to >0.009 30 m x 30 m 693019  $623.717 \text{ km}^2$ 19.27 NDWI: B3+B5 0.140  $=0.0009 \text{ km}^2$ 

Table2: Extraction of surface water resource information from NDVI and NDWI, 2014

#### **CONCLUSION**

The study area has numerous potential of surface water resources. It receives abundant rainfall more than the state average. It has been observed that one fifth of the district is covered with surface water resource. Dhemaji district has a number of perennial streams, wetlands, swamps, beels which are rich in surface water resource. The district has a narrow valley between Arunachal hills to north and Brahmaputra river to south and the perennial streams flow from north to south and meet Brahmaputra mainstream. Mapping of surface water resource using Remote Sensing and GIS techniques will generate useful information for sustainable water resource development planning and will also help to mitigate fluvial hazard situation in the district. Application of satellite data for mapping and assessment is useful to generate recent information regarding the status of surface water resource in Dhemaji district of Assam.

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# DYNAMICS OF CORPORATE SOCIAL RESPONSIBILITY IN INDIA: AN ANALYSIS IN THE BACKDROP OF THE NEW COMPANIES ACT

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#### **ABSTRACT**

The consistently growing economic growth of India needs to be suitably redistributed among the lower strata of the society in order to ensure that the economic progress is balanced, equitable and sustainable in the long run. The concept of Corporate Social Responsibility (CSR) has got special significance in the Indian context particularly among the public sector enterprises (PSEs) in the above context. In fact, it is mandatory that a particular percentage of net profit of PSEs be earmarked for CSR activities as per the provisions of the new Indian Companies Act. Even without any statutory compulsion many companies including private players are making substantial CSR investments as part of their business strategy, in order to enhance their corporate image, brand equity and hence competitiveness in the market. In the context of the new Companies Act that mandates compulsory CSR investments by the PSEs in India, this paper makes a closer analysis of the significance of CSR and the advisability of mandatory CSR in the ongoing reforms regime, and accordingly makes suggestions for effective implementation of CSR by the Indian corporates.

Key Words: Equitable growth, CSR, Public Sector Enterprises, Companies Act 2013

#### 1. INTRODUCTION

The consistently growing economic growth of India needs to be suitably redistributed among the lower strata of the society in order to ensure that the economic progress is balanced, equitable and sustainable in the long run. In the ongoing reforms era, the divides of all sorts are on the rise, particularly between the rich and the poor. Though the concept of Corporate Social Responsibility (CSR) had its beginning in the US, gradually it gained popularity throughout the globe. The basic tenet of CSR lies on the recognition that business and industrial organizations have some responsibility to multiple stakeholders in the conduct of their business, apart from their economic objectives targeted primarily at their shareholders. Such broader responsibilities that extend well beyond the scope of simple commercial relationships. Because of the obvious benefits of CSR many organizations have voluntarily adopted CSR, the benefits of CSR being enhanced customer loyalty and brand equity, better profitability etc. The mandatory CSR as insisted by the new Companies Act in India upon public sector enterprises (PSEs) and also the demands from different corners for extending such mandatory provisions to private companies also have resulted in a growing debate on the advisability or otherwise of mandatory CSR. The case of central public sector enterprises (CPSEs) which are mandated to make certain percentage of their net profits for CSR activities need special mention, considering the huge investments by the Government in CPSEs vis-à-vis the returns that they make for the betterment of the society.

Businesses are an integral part of any society, and have an active role to play in the upliftment of the society. There is interdependence between business and society. Both these are mutually interdependent for survival and sustenance. CSR seeks to provide a part of the business returns to the society for its development. Taking into account the well documented merits of CSR, companies are thinking beyond the sole objective of profit-maximization and are becoming growingly conscious about their responsibility towards the society at large. This changing mindset of corporates as above has been an outcome of the economic benefits of CSR in the form of improved goodwill and long-lasting customer relations (Crowther, 2008).

In respect of public sector enterprises (PSEs) in India CSR is not a new concept because the very idea behind the setting up of PSEs has been providing a means for the economic as well as social wellbeing of the society at large. Since independence, PSEs in India, both under the Central and State governments viz. CPSEs and SPSEs are mandated towards the socio-economic welfare of the nation. Thus, providing mass employment to the masses, both skilled and unskilled, upliftment of the socioeconomic conditions of poor etc. were the aims of the PSEs. The mandatory compulsion for earmarking a specific percentage of net profits of PSEs for CSR activities in the new Companies Bill 2011 has given another dimension to the relevance and existence of PSEs in India.

#### 2. ANALYTICAL SIGNIFICANCE

The provisions relating to CSR spending by the PSEs in the Companies Bill, 2011 have got high academic significance as these provisions imposes statutory compulsion on PSEs for CSR acts. These provisions are largely in the nature of CSR spending. The Department of Public Enterprises has proceeded to issue a revised

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set of "Guidelines on Corporate Social Responsibility and Sustainability for Central Public Sector Enterprises" that would become effective from April 1, 2013. Unlike the Companies Bill and also the previous version of the guidelines applicable to central public sector enterprises (CPSEs) which focused largely on external stakeholders and CSR spending, the new version of the CSR guidelines emphasizes CSR as a way of life and as an integral part of the operations and business of the company. While the current debate in India equates CSR with corporate philanthropy, the new guidelines for CPSEs does more than that and requires companies to follow ethical systems and sustainable management practices. The guidelines contain detailed provisions on the manner in which CPSEs can carry out their CSR practices, which also mandate every CPSE to carry out a minimum number of external projects "for development of a backward district" that "has the potential of contributing significantly in the long run to socio-economic growth in all the backward regions of the country".

#### 3. OBJECTIVES OF THE STUDY

- (i) To study the current scenario regarding Corporate Social Responsibility (CSR) in India from a historical perspective with special reference to the Public Sector Enterprises (PSEs);
- (ii) To study the major provisions relating to CSR in Companies Act 2013 and to assess their implications on companies in India, particularly the PSEs;
- (iii) To analyze the desirability or otherwise of the provision for mandatory CSR in the new Companies Act from the perspectives of various stakeholders;
- (iv) To make suggestions for systematic and effective implementation of CSR in India.

#### 4. METHODOLOGY AND DATA SOURCES

This study is primarily of descriptive-analytical nature, as it makes use of latest available data on CSR activities by Indian companies and analyses the responses of corporates to relevant statutory provisions on CSR and market conditions. The data used are secondary in nature and these include various government publications, official websites of regulatory bodies etc. The data so collected are analyzed for the purpose of their systematic presentation that facilitates their meaningful interpretation as well as specific conclusions.

#### 5. SIGNIFICANCE AND RELEVANCE OF CSR IN THE GLOBALIZED REGIME

The growing significance of CSR arises from the fact that it arises from adherence to ethical values, legal compliance, and respect for people, community, and environment. CSR expects a company to go beyond whatever is required by the law. In fact, CSR seeks to (i) treat its employees fairly and with due respect, (ii) operate with integrity and in an ethical manner in all its business dealings with customer, suppliers, lenders, and others, (iii) respect the human rights, (iv) sustain the environment for future generations, and (v) be a responsible neighbor in the community and a good 'corporate citizen'. Occupational welfare and corporate community welfare or corporate social responsibility (CSR) are of growing importance to governments and service providers as they promise to meet challenges of social problems within changing welfare environments. The modern governments have increasingly resorted to corporate involvement in local services and have also encouraged the expansion of occupational welfare.

During the last two decades or more a growingly large number of companies have adopted CSR practices. Such a positive response towards CSR might be partly because of their aspiration to make their operations more ethical. It is noted that increasingly more and more companies have begun to incorporate ethics and CSR in their strategic planning and objectives. It may be pointed out that there is no statutory compulsion or governmental directives or such other external influences in making more and more companies to join the CSR bandwagon. Rather this change in mindset is quite voluntary in nature. Quite a large number of big corporates have voluntarily adopted formal environmental policies as well as CSR practices. Their objectives have been creating sustainable businesses and at the same time being environment friendly. For example, a company that using large amounts of forest resources (like, timber in respect of newsprint industry) might adopt a policy of re-forestation to replace the trees cut down by them.

As per the current practices, companies include CSR report in their annual report and accounts or may publish their separate corporate responsibility report which may also be called a 'social and environmental report' or a 'sustainability report'. Whichever may be the kind of report, these reports indicate a company's commitment toward ethical behavior and highlight their progress towards achieving their strategic CSR objectives.

#### 6. CSR IN INDIAN COMPANIES: RETROSPECT AND PROSPECT

CSR is a concept that has been in existence in India since long. The concept though existed in an unorganized format during pre-independence era but the Indian companies were aware of their responsibilities towards social development. As already noted earlier the basic idea behind the setting up of public sector enterprises

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(PSEs) by the central and state governments during the post-independence era was socio-economic development of the masses through employment generation apart from supply of goods and services in the market. History says that the Indian companies contributed towards providing education, health and other kinds of social services.

The man behind the early initiatives relating to social responsibility of business was none other than Mahatma Gandhi, the father of the nation. In fact, Mahatma Gandhi sought to make Indian business houses discharge their societal responsibilities. Thus, the concept of CSR has already been there throughput India's industrial development experience though the technical term viz. 'CSR' has been of a recent origin. Now, the concept of CSR has become more formal as well as organized. Of late, CSR has become mandatory too in respect of PSUs in India. In the early days of India's industrialization, philanthropic activities of companies were undertaken separately and they did not form a part of their CSR initiatives. But, unlike in the past CSR activities constitute the highest level of organizational pyramid. Moreover, the scope of the term CSR has widened manifold. (Bhanumurthy and Krishna, 2010, p.156)

In the Indian context, the corporate initiatives towards fulfilling the concept of social responsibility of business could be traced back to those of the TATA's and the Birla's. These giant private companies in India could contribute positively for the betterment of society since the time when the CSR concept was hardly known or practised in the country. Today India is assumed the status of one of the top Asian countries in the CSR front. The report of the study done by the social enterprise named CSR Asia [viz. Asian Sustainability Ranking (ASR), 2009] has ranked India in the Fourth position among the Asian countries in respect of laying increasing emphasis on the concept of CSR. Moreover, at the level of individuals too there are commendable achievements. In fact, there are as high as 4 Indians among '48 Heroes of Philanthropy' according to the List of Forbes Asia for the years 2009 and 2010. The above facts very well depict the awareness of CSR among Indian citizens. (The Hindu dt. 05.03.2010).

#### 7. INDIAN COMPANIES ACT AND MANDATORY CSR

Government of India made it mandatory for all public sector oil companies to spend 2 percent of their net profits on CSR activities in the year 2009. Accordingly, for public sector oil companies a minimum expenditure of 2 percent net profits should be earmarked for CSR activities, and no slabs have been prescribed by the Government for such companies. The same move has also been planned by the Government for coal mining firms. However, the percentage to be shared has not yet been decided and the proposal is not yet accepted (Business Standard dt. 25.04.2011).

The Companies Act, 2013 (hereinafter referred to as 'the Act') Section 135 (1) states that, 'Every company having net worth of Rs. 500 crore or more, or turnover of Rs. 1000 crore or more or a net profit of Rs. 5 crore or more during any financial year shall constitute a Corporate Social Responsibility Committee of the Board. It is further mentioned under Section 135 (5) that, 'In pursuance of its Corporate Social Responsibility Policy', the Board of every company referred to in sub-section (1) above, shall ensure that the company spends, in every financial year, at least 2 percent of the average net profits of the company (calculated as per Section 198) made during the 3 immediately preceding financial years. It may be noted that the Companies Act, 2013 specifies the broad modalities of selection, implementation and monitoring of the CSR activities by the Boards of Directors (BOD) of companies. Besides, f the company fails to spend such amount for CSR activities, the BOD in its report should specify the reasons for not spending the amount for the intended CSR purposes. CSR activities that could be included by companies in their CSR policies are listed in Schedule VII of the new Companies Act. In fact, the provisions of Section 135 of the Act and Schedule VII of the Act apply to all companies, including Central Public Sector Enterprises (CPSEs).

Department of Public Enterprises (DPE) Guidelines on CSR and Sustainability issued on Oct 21, 2014 (specifically states that, 'It is mandatory for all profit making CPSEs to undertake CSR activities as per the provisions of the Act and the CSR Rules. Even the CPSEs which are not covered under the eligibility criteria based on threshold limits of net-worth, turnover, or net profit as specified by Section 135 (1) of the Act, but which made profit in the preceding year, would also be required to take up CSR activities as specified in the Act and the CSR Rules, and such CPSEs would be expected to spend at least 2 percent of the profit made in the preceding year on CSR activities.'However, as per DPE guidelines, the amount spent on sustainability initiatives in the pursuit of sustainable development while conducting normal business activities would not constitute a part of the CSR spend from 2 percent of profits as stipulated in the Act and the CSR Rules. Besides, in case of CPSEs mere reporting and explaining the reasons for not spending this amount in a particular yearwould not suffice and the unspent CSR amount in a particular year would not lapse, it would instead be carried forward to the next year for utilization towards the purpose it was allocated.

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In case of public sector units (PSUs) or public sector enterprises (PSEs) in India, the revised guidelines on CSR and sustainability are being implemented from 1 April 2013. In view of the vast government investments in PSEs, they are mandated for discharging their social responsibility. Hence, they have to conduct their business in an economically, environmentally and socially sustainable manner. CSR acts by PSEs may be reckoned as a means of discharging such responsibilities. Now CSR is statutory compulsion too in respect of PSEs, as already noted.

# 8. MANDATORY CSR AS PER INDIAN COMPANIES ACT AND ITS DESIRABILITY: DIFFERENT VIEWS

As already noted there is a growing debate on the desirability of mandatory CSR as stipulated by the new Companies Act in India. In fact, there are different views as to whether CSR initiatives must be mandatory for all businesses or they should be left to the discretion of the respective companies. In the Indian context, till the adoption of the new Companies Act, CSR practices of companies were purely voluntary (discretionary) in the country. But, the new Companies Act mandates CSR for all profit-making PSEs or public sector units (PSUs) in India according to which profit making PSUs have to spend 2 percent of their average net profits over three years essentially for CSR initiatives. However, it may be pointed out that the above provision is applicable only to PSUs as of now, and private sector companies are not coming within its scope.

Regarding extending the mandatory CSR provision to private companies too as in the case of PSUs, there have been different perspectives. One view is that there should be a statutory compulsion 2 percent mandatory spending on CSR for private companies. While Government bodies are in support of this proposal but this proposal, it is being strictly strongly opposed by most of the the private sector companies. Actually, the private sector companies are of the view that CSR spending should not be mandated and this should be left to the discretion of the respective companies. These companies have presented the view that Government should not interfere in their CSR activities and that such mandatory spending would affect their commercial success. Thus they argue for purely discretionary CSR spending. (Times of India dt, 25.03.2011). In case mandatory CSR is extended to private sector too, then the Indian scene of CSR is going to witness a dramatic change with more mandatory CSR spending rather than voluntary philanthropy activities. It may be stated that mandatory provisions by the Government should be made applicable to all companies, whether in the public or private sector; and in the case of mandatory CSR also this rule should apply. Or else, there will not be a level playing field for all.

# 9. SYSTEMATIC AND EFFECTIVE IMPLEMENTATION OF CSR IN INDIA: SOME SUGGESTIONS

- To ensure a level playing field for all companies, CSR should be made applicable to both public sector and private sector companies alike. There should not be any discrimination to companies based on the ownership pattern.
- All CSR activities should ideally seek to address the long-term and broader societal issues like environmental pollution. CSR efforts should focus on really deserving social development activities including rural development, promotion IT, literacy including computer literacy, women empowerment, etc.
- The CSR activities for one's company or industry need to be defined, considering the specific nature of the business undertaken or the industry segment. For instance, CSR activities of a bank must be different from that of a manufacturer or a retailer.
- Costs involved in CSR activities should be systematically kept on vigil. Accordingly, accountability for discharging one's social responsibility could be fixed. This measure helps to avoid misuse of CSR funds and eliminate corruption in CSR implementation
- > CSR initiatives of individual companies need to be widely publicized throughout the respective companies at all levels. Moreover, all the employees of the company be involved in defining and advancing CSR.
- Companies which engage in CSR activities should develop positive and pro-active relationships with other companies with CSR activities. Co-ordinated effort by different companies would be mutually beneficial to the companies concerned and also the society at large. Because, efforts would not be duplicated nor wasted, rather they could be made complementary to each other.

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- Customer education should form the focus of all CSR activities. Educating the educating the masses particularly those from the lower strata of the society as part of CSR efforts would strengthen the society through enlightening them.
- Last but not the least, all CSR efforts, whether discretionary or mandatory, must be oriented at social development in its true letter and spirit. A compliance-oriented CSR spending should be avoided in the case of mandatory CSR investment (eg. PSUs). Only whole hearted CSR efforts with the active support and co-operation of the respective stakeholders alone can ensure real social progress and development. This is turn would give the returns to the concerned companies in the form of long-term relationships, customer loyalty, corporate image and brand equity.

#### 10. CONCLUDING REMARKS

In view of the foregoing discussions, it may be pointed out that the measures initiated by the Government of India regarding statutory stipulation of CSR by PSEs in India, prima facie, is an encouraging development. This measure would prompt the private sector companies also to join the CSR bandwagon voluntarily, in case they are yet to start CSR voluntarily. The fact is that even without any statutory compulsion many private companies have initiated CSR activities voluntarily because of the obvious benefits in terms of better corporate image and brand equity, long-term customer relationships and customer loyalty, etc. However, extension of CSR activities to all private sector companies is quite advisable, as it will further strengthen the move towards social responsibility of business and will also ensure a level playing field for all players.

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# ENVIRONMENTAL PROTECTION AND SUSTAINABLE DEVELOPMENT IN INDIA: A SOCIO LEGAL ANALYSIS

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#### INTRODUCTION

Till a few years ago all the nations of the world were focused only on the economic development of their nation. The development policies of almost all the nations were based on advancement and development of industrial establishments furthering the goals of economic advancement. But in the recent past there has been a radical change in the perception of man regarding development now a day the development policies of every developed and developing nation is focused both on economic development as well as protection of environment. Many conventions, summits and treaties are being held and signed at the international level by almost all the nations of the world as in the case of India which has enacted a plethora of laws to deal with the problem of environmental pollution. People are now slowly realizing the value of nature in life of a human being. Issues like forest and agricultural degradation of land, resource depletion (water, mineral, forest, sand, rocks etc.), environmental degradation, public health, loss of biodiversity, loss of resilience in ecosystems, livelihood security for the poor etc has been a major cause of concern. On the other hand flood, improper sanitation system and solid waste management, industrial pollution, pollution from vehicles and lack of knowledge and concern among people has been a major cause of such environmental problems.

#### **OBJECTIVE OF THE PAPER**

- (i) The paper tries to study the meaning and importance of environment and causes of environment degradation.
- (ii) To provide a critical analysis of the role played by various laws and Judiciary for protection of environment.
- (iii) To analysis the inter-relation between sustainable development and environment

#### **METHODOLOGY**

The present paper is primarily based on secondary sources like the Report of Government of India, Books, Journals and Articles etc. the methods used are historical, Narrative and analytical

**Definition**: Environment is derived from the French word Environner, which means to encircle or surround. The term environment means conditions influencing the development and growth of organisms. Although the word 'environment' commonly means surrounding, in the context of life it means much more. As per Environment (Protection) Act, 1986, environment includes all the physical and biological surroundings of an organism along with their interactions. Environment is thus defined as "the sum total of water, air and land and inter-relationships that exist among them and with the human beings, other living organisms and materials."

#### IMPORTANCE: NEED FOR CONSERVATION

We may be aware that the earth we live in is the only the habitation for living beings in this universe. But are we aware it is also the only natural heritage passed on from generation to generation. Our future generation will be left with this lovely environment, but in the condition that we leave it in. The status of the environment in which our descendants will live in, is directly connected to our generations activities which may be directly and indirectly linked to the environment. Thus it is our duty and responsibility to conserve and protect the environment we live in by being aware of our activities and the issues they awaken in the environment.

The importance of good and clean environment cannot be described adequately. According to many scientists, the factor which influences the growth of individuals most is environment. But unfortunately, the various elements of environment such as, air, water, land, etc., are polluted and contaminated. Urbanization, industrialization and overcrowded living have primarily been responsible for this menace. Pollution is also caused by vehicles, supersonic jets, smoke-producing factories, radio-active elements, etc. The careless

<sup>&</sup>lt;sup>1</sup>Environmental Issues, Law and Technology – An Indian Perspective. Ramesha Chandrappa and Ravi.D.R, Research India Publication, Delhi, 2009,

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dumping of solid wastes by households, factories, markets, commercial centers, etc., in the open places, streets and in the rivers have further aggravated the problem. Human beings, factories and vehicles pollute the air with carbon dioxide, monoxide and poisonous gases. But the oxygen which the trees give out lessens their harmful effect. Secondly, pollution caused by the dumping of wastes in streets, rivers, living places must be stopped at all cost.

This calls for individual and community efforts. The recent Supreme Court order in India, to close down those factories which dump their wastes in the Ganges, is indeed a right step in the right direction. Thus, on the whole, people are becoming aware of the vital need to have a good and clean environment. The awakening of the general masses in this respect is a welcome sign and would make our world a better place to live in.

#### CAUSES FOR ENVIRONMENTAL DEGRADATION

The primary cause of environmental degradation is human disturbance. The degree of the environmental impact varies with the cause, the habitat, and the plants and animals that inhabit it. The main causes of environmental degradation are as follow;

- **1. Industrialization or Industrial pollution:** The use of factories and mass production has led to a depletion of certain natural resources, leaving the environment permanently damaged. One example of this depletion is deforestation, which is the clearing of forest trees for use in production. When the trees are cleared, the wildlife in the forest also becomes uprooted. The lack of trees is only compounded by the problem of carbon emissions. Whereas forests would help emit oxygen and refresh the levels of healthy gases in the air, factories are emitting poisonous emissions and eliminating the source of oxygen. The pollution that has resulted from factories involves not only airborne emissions but land and water pollution as well. The primary issue resulting from pollution and carbon emissions is that of global warming. As the temperature rises, the glaciers are melting and oceans are rising. More animal species are becoming endangered or extinct as a result of global warming.<sup>2</sup>
- **2. Population growth**: Population is an important source of development, yet it is a major source of environmental degradation when it exceeds the threshold limits of the support systems. Unless the relationship between the multiplying population and the life support system can be stabilized, development programs, howsoever, innovative are not likely to yield desired results. Population impacts on the environment like loss of biodiversity, air and water pollution and increased pressure on arable land. Human population issues are extremely important when it comes to our way of life and our future on this planet<sup>3</sup>.
- **3. Urbanization:** Due to uncontrolled urbanization in India, environmental degradation has been occurring very rapidly and causing many problems like land insecurity, worsening water quality, excessive air pollution, noise and the problems of waste disposal.
- **4. Deforestation:** Deforestation occurs for many reasons: trees are cut down to be used or sold as fuel (sometimes in the form of charcoal) or timber, while cleared land is used as pasture for livestock, plantations of commodities and settlements. The removal of trees without sufficient reforestation has resulted in damage to habitat, biodiversity loss and aridity.
- **5. Poverty and Improper sanitation system**: Poverty is said to be both cause and effect of environmental degradation. Due to which there is Poor sanitation which affect people's social and professional lives. Poor sanitation increases your risk of contracting countless diseases. Diseases like Cholera, Parasites like worms, Amoebic Dysentery and countless other things that people in developed countries seldom think about due to the ease of access to clean food and water and the proper and sanitary waste disposal system. The poor, who rely on natural resources more than the rich, deplete natural resources faster as they have no real prospects of gaining access to other types of resources. Moreover, degraded environment can accelerate the process of impoverishment, again because the poor depend directly on natural assets.

<sup>2.</sup>http://eco-issues.com/TheIndustrialRevolutionandItsImpactonOurEnvironment.html visited on 04-09-2013

<sup>3.</sup>http://saferenvironment.wordpress.com/2008/08/16/population-growth-and-environmental-degradation/visited on 04-09-2013

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6. Solid waste management: Municipal solid wastes heap up on the roads due to improper disposal system. People clean their own houses and litter their immediate surroundings which affect the community including themselves. This type of dumping allows biodegradable materials to decompose under uncontrolled and unhygienic conditions. This produces foul smell and breeds various types of insects and infectious organisms besides spoiling the aesthetics of the site.<sup>4</sup> Apart, from this the most eminent natural cause of environmental degradation to which nobody could deny is

7. Flood and Landslide: Flood and Landslides is the major problem of environmental degradation in the region of North-East. Flood in Assam has become a perennial problem. Every year countless of people in the state are affected by this problem it not only destroy the crops, house and livestock but also bring diseases like Malaria, Typhoid etc. Due to flood, Erosion occurs frequently not only in plain areas but also near the river banks and hilly areas of North Cachar and Karbi Anglong. These areas are highly affected by land degradation due to frequent Land slides during Monsoon.

Deforestation without reforestation, surface mining without land reclamation, farming on land with unsuitable terrain, soil compaction by agricultural machinery makes the top soil vulnerable to erosion.

#### LEGAL PROVISIONS RELATING TO PROTECTION OF ENVIRONMENT

Constitutional Provision: In 1976, the Constitution (Forty Second Amendment) Act was passed and the provisions relating to the protection of environment for the first time were incorporated by adding a new provision Article 48-A in the Chapter, Directive Principles of State Policy.

According to Article 48-A "the State shall Endeavour to protect and improve the environment and to safeguard the forests and wildlife of the country". 5

Further, a new provision Article 51-A in the form of "Fundamental Duties" was also incorporated by the 42nd Amendment. According to Art. 51-A (g), "it shall be the duty of every citizen of India to protect and improve the natural environment including forests, lakes, rivers and wildlife and to have compassion for living creatures". The above two provision impose two-fold responsibilities. On the one hand, it gives directive to the State for protection and improvement of environment, and on the other hand it casts/imposes a duty on every citizen to help in the preservation of natural environment.

#### ROLE PLAYED BY THE JUDICIARY

Since about the late 1980s, the Supreme Court of India has been pro-actively engaged in India's environmental issues. In most countries, it is the executive and the legislative branches of the government that plan, implement and address environmental issues; the Indian experience is different. The Supreme Court of India has been engaged in interpreting and introducing new changes in the environmental jurisprudence directly. The Court has laid down new principles to protect the environment, re-interpreted environmental laws, created new institutions and structures, and conferred additional powers on the existing ones through a series of directions and judgments. It is encouraging that the Indian Judiciary has playing a very effective role to salvage the sagging Indian Physical Environment as it felt that it is its constitutional duty to do so. In this process, the judiciary has not been content with its constitutionally assigned role of a mere interpreter but the Supreme Court had adopted an activist role.

In our country, efforts to raise environmental awareness have been initiated, and several landmark judgments related to environmental litigations have highlighted the importance of this subject to general public. Two noted

<sup>&</sup>lt;sup>4</sup> Kaushik Anubha, Kaushik C.P. Perspective in Environmental Studies, pg.172-173 New Age International Publishers 3rd edition.

<sup>&</sup>lt;sup>5</sup> Kaushik Anubha, Kaushik C.P. Perspective in Environmental Studies, pg.228 New Age International Publishers 3rd edition

<sup>&</sup>lt;sup>6</sup> ibid

<sup>&</sup>lt;sup>7</sup>Geetanjoy Sahu (2008), "IMPLICATIONS OF INDIAN SUPREME COURT'S INNOVATIONS FOR ENVIRONMENTAL JURISPRUDENCE". Law, Environment and Development Journal 4 (1): 1–19.

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personalities, who need a mention here, are Justice Kuldeep Singh, known popularly as the **Green Judge** and Sh. M.C. Mehta, the **Green Advocate**, who have immensely contributed to the cause of environment. In *M.C. Mehta vs. Union of India*, (Popularly known as "Oleum Gas Leak Case")<sup>8</sup> – The Supreme Court treated the right to live in pollution free environment as a part of fundamental right to life under Art. 21 of the Constitution. Further the Andhra Pradesh. High Court in *T. Damodar Rao vs. S.O., Municipal Corporation, Hyderabad*, <sup>9</sup> lay down that right to live in healthy environment was specially declared to be part of Art. 21 to the Constitution. In a significant decision in *In Re Noise Pollution*, <sup>10</sup> the Supreme Court has held that under Article 21 every person has the right to live with a noise free atmosphere which cannot be defeated by exercise of right under Article 19 (1) (a) of the Constitution. Again, in *M.C. Mehta vs. Union of India*, <sup>11</sup> the Supreme Court ordered the closure of tanneries at Jajmau near Kanpur, polluting the river Ganga unless they took steps to set up treatment plants.

The Constitutional scheme to protect and preserve the environment has been provided under Articles 21, 48-A and 51-A(g) which includes fundamental right to have healthy and pollution free environment, constitutional obligation of the State and fundamental duty of all the citizens of India to protect and improve the natural environment. But the first question we have to ask ourselves is why despite provisions in Indian Constitution providing for environmental protection and many statutory provisions, the environment degradation continues. The main cause for environment degradation is lack of effective enforcement of various laws. <sup>12</sup>

The Environment (Protection) Act, 1986 aims for the protection, regulation of discharge of environmental pollutants and handling of hazardous substances, speedy response in the event of accidents threatening environment and deterrent punishment to those who endanger human environment, safety and health and had also made provision for environmental audit as a means of checking whether or not a company is complying with the environmental laws and regulations. Besides these, there are various other acts such as Wildlife (Protection) Act, 1972, Water (Prevention and Control of Pollution) Act, 1974, Forest (Conservation) Act, 1980, The Air (Prevention and Control of Pollution) Act, 1981 enacted by the Parliament from time to time for proper control and effective implementation of environmental conservation programme.

#### SUSTAINABLE DEVELOPMENT: MEANING AND GROWTH

**Sustainable development** refers to a mode of human development in which resource use aims to meet human needs while ensuring the sustainability of natural systems and the environment, so that these needs can be met not only in the present, but also for generations to come. The term *'sustainable development'* was used by the Brundtland Commission, which coined what has become the most often-quoted definition of sustainable development: "development that meets the needs of the present without compromising the ability of future generations to meet their own needs. <sup>13</sup> Sustainable development constantly seeks to achieve social and economic progress in ways that will not exhaust the earth's finite natural resources. The needs of the world today are real and immediate, yet it's necessary to develop ways to meet these needs that do not disregard the future. Some of the more common examples of sustainable development practices are:

- Solar and wind energy. Energy from these resources is limitless, meaning we have the ability to eliminate dependence on non-renewable power sources by harnessing power from renewable resources.
- Sustainable construction. Homes, offices and other structures that incorporate recycled and renewable resources will be more energy efficient and stand the test of time.
- Crop rotation. Many farmers and gardeners are using this method as a chemical free way to reduce diseases in the soil and increase growth potential of their crops.

<sup>9</sup> AIR 1987 A.P. 171

<sup>&</sup>lt;sup>8</sup>AIR 1987 SC 1086

<sup>&</sup>lt;sup>10</sup> AIR 2005 SC 3136

<sup>&</sup>lt;sup>11</sup> AIR 1987 4 SCC 463

<sup>12</sup> http://lex-warrier.in/2013/08/constitutional-provisions-and-india/visited on 04-09-2013

<sup>&</sup>lt;sup>13</sup> http://en.wikipedia.org/wiki/Sustainable\_development visited on 04-09-2013

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• Water fixtures. Water conservation is critical to sustainable development, and more and more products are available that use less water in the home, such as showers, toilets, dishwashers and laundry systems.

The world's resources are finite, and growth that is unmanaged and unsustained will lead to increased poverty and decline of the environment. We owe it to future generations to explore lifestyles and paths of development that effectively balance progress with awareness of its environmental impact. In order to preserve the future, we must appreciate the interconnectedness between humans and nature at all levels. Sustainable development practices can help us do this, and through education and building awareness, preserving the future is within everyone's reach.<sup>14</sup>

#### INTERNATIONAL INSTRUMENTS PERTAINING TO SUSTAINABLE DEVELOPMENT

The Stockholm Conference in 1972 was the first major global environmental meeting arranged by the United Nations. One of the results of the Stockholm Conference was the creation of UNEP (United Nations Environment Programme).

Twenty years after the Stockholm Conference, the UN Conference on Environment and Development was held in Rio de Janeiro in 1992. The Rio Summit, as it is known, adopted Agenda 21 - an action programme for the 21st century. The **United Nations Conference on Sustainable Development (UNCSD)**, also known as **Rio 2012**, **Rio+20** or **Earth Summit 2012** was the third international conference on sustainable development aimed at reconciling the economic and environmental goals of the global community. Hosted by Brazil in Rio de Janeiro from 13 to 22 June 2012, Rio+20 was a 20-year follow-up to the 1992 Earth Summit / United Nations Conference on Environment and Development (UNCED) held in the same city, and the 10th anniversary of the 2002 World Summit on Sustainable Development (WSSD) in Johannesburg.

The ten day mega-summit, which culminated in a three-day high-level UN conference, was organized by the United Nations Department of Economic and Social Affairs and included participation from 192 UN member states — including 57 Heads of State and 31 Heads of Government, private sector companies, NGOs and other groups. The decision to hold the conference was made by UN General Assembly Resolution A/RES/64/236 on 24 December 2009. It was intended to be a high-level conference, including heads of state and government or other representatives and resulting in a focused political document designed to shape global environmental policy<sup>16</sup>.

The conference had three objectives:

- 1. Securing renewed political commitment for sustainable development
- 2. Assessing the progress and implementation gaps in meeting previous commitments.
- 3. Addressing new and emerging challenges.

There is nodenying of the fact that considering the needs of the society in terms of economy industrialization or urbanization has become a global need but the real question that remains is that whether we are ready to scarifies it in lieu of the entire human race because at the rate and process at which we are moving towards so called development and causing destruction of the environment in name of development soon a time will come when the entire human civilization shall be on the verge of extinction. Sustainable development may be the answer to various environmental problems faced by the human civilization, growth is necessary but not at the cost of the human race. If we are finding a solution to our questions sustainable growth and protection of our environment is the only answer where both can co exist.

#### ROLE OF AN INDIVIDUAL IN CONSERVATION OF ENVIRONMENT

Environment belongs to each one of us and all of us have a responsibility to contribute towards its conservation and protection. "Little drop of water and little drop of sand, Makes the mighty ocean and the pleasant land." Similarly, by little bit of Awareness, and little bit of Efforts we can save our planet. And can conserve our environment to a large extent. Just by supporting and organization or association does not bring significant

<sup>&</sup>lt;sup>14</sup> http://www.sustainabledevelopmentinfo.com/the-definition-of-sustainable-development/ visited on 04-09-2013

<sup>&</sup>lt;sup>15</sup>http://www.government.se/sb/d/15996/a/188051

<sup>&</sup>lt;sup>16</sup> http://en.wikipedia.org/wiki/United\_Nations\_Conference\_on\_Sustainable\_Development visited on 04-09.13

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changes for our environment. There are certain rules by application of which we can bring pronounced effects in conserving our environment. Each individual should change his or her life style in such a way as to reduce environmental degradation. It can be done by following some of the following suggestions.

- \* First of all, it is ultimately the individuals who have to endure the harmful effects of pollution.
- \* By actively participating in pollution control activities, individuals are setting an ideal precedent.
- \*The benefits of clean and unpolluted environment will be enjoyed by individuals first.
- \* If one or more individuals start any work on controlling pollution more and more will emulate them and ultimately this will give rise to a Movement.
- \*Think Globally, Act Locally' has become a famous slogan in all environment related issues. To act locally, individuals and collections of individuals are best suited.
- \* Controlling pollution is a huge task. It cannot succeed unless everybody puts in his/her effort.
- \* Even if the Government and the NGOs are working whole heartedly towards pollution control, a lot of their efforts will go waste if the individuals in the society are not aware about the seriousness of the work.
- \* No individual should think that he/she has only rights and no duties. The society is giving the individuals a lot; it is the duty of the individuals to reciprocate. They must help in keeping the neighborhood clean and pollution free.
- \* Laying greater emphasis on pollution prevention than pollution control.
- \* Using eco-friendly products.
- \* Reducing dependency on fossil fuel especially coal or oil.
- \* Saving electricity by not wasting it when not in use.
- \* Promote Reuse and Recycling wherever possible and reduce the productions of wastes.
- \* Use of mass transport system. For short distances use bicycle or go on foot.
- \* Decrease the use of product that contains Chlorofluorocarbons (CFCs).
- \* Adopt and Popularize renewable energy sources.
- \* Making the use of pesticides, polythene, chemicals that are hazardous less and lesser as much as we can.
- \* Using rechargeable batteries. Rechargeable batteries will reduce metal pollution.
- \* Using organic manure instead of commercial inorganic fertilizers.
- \* Using only the minimum required amount of water for various activities. This will prevent fresh water from pollution.
- \* When building a home, saving as many trees as possible in the area and preventing uprooting of trees.
- \* Planting more trees, as trees can absorb many toxic gases and can purify the air by releasing oxygen.
- \* Checking Population growth so that demand of materials is under control. 17

<sup>&</sup>lt;sup>17</sup> Kaushik Anubha, Kaushik C.P. Perspective in Environmental Studies, pg.176 New Age International Publishers 3rd edition

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It is difficult to separate the polluter from ordinary population as everyone in some way or the other pollutes the environment by exploiting nature for his or her own purposes. The most unjustifiable and unreasonable exploitation has to be curbed and penalized. The law of civil wrongs also has to be pressed into service to enhance pressures on polluting industrial giants and their abettors. The law enforcement mechanism should create an atmosphere in which it would not be easy to pollute. Because it is through pollution, our environment starts degrading. People should be informed of their rights and regulatory mechanism so that they play their role in either enhancing the awareness among them besides empowering them. The other important method of environmental conservation is to carry out campaigns aiming at persuading the public to plant trees in the existing forests as well as creating new ones. Also, public need to be sensitized on the importance of increasing the forest covers in our planet. Forests serve as sources of life because they have many benefits to our lives. Some of these benefits are; they give habitants to the animals, they serve as water catchments areas, they are source of medicines, and they beautify the land.

#### **CONCLUSION**

Considering the fragility of our natural environment, it increasingly recognized that efforts to conserve and protect our natural heritage are important as economic development itself. In conclusion, environment is a source of live and it needs our effort to conserve it. The success of conservation depends partly on the environmental quality beyond the boundaries of a protected area. Operating a successful system of protected areas requires effective environmental management in general and national and regional coherence. Every individual should be sensitized on the importance of conserving the environment. For the success of conservation to be achieved we should use conserve energy by using alternative sources that are friendly to the environment. Government should input strict measures of environmental conservation such as prohibiting illegal cutting of trees, waste disposal methods by the public. Mahatma Gandhi's philosophy was based on the assumption that human beings were not masters of the other forms of life. He believed that humans were trustees of the lower animal kingdom. Sustainable development is a development strategy that manages all assets, natural resources, human resources as well as financial and physical assets for belong term wealth and well being.

Sustainability demands Renew ability: where rate of utilization of resource should be lower than or equal to rate of regeneration of the resources;

Adaptability: a sustainable society neither import resources from outside i.e. not by depriving other the use of fossil fuel be substituted by the use of solar/wind/tidal energy and Substitution institutional commitment: there should be proper education at all levels of the society to accept the values and practices of sustainable development which should have political support, constitutional provisions, legal framework, and coordination between legal institutions<sup>19</sup>

Environmental ethics affirms our beliefs that this earth is our only suitable habitat and it recognizes the rights of the people to breathe clean air drink unspoiled water and exist in a quality environment. It encourages productive and enjoyable harmony between people and environment. Each generation has the moral responsibility to provide the next generation with healthy, productive responsibility to provide aesthetically pleasing surroundings. Since we have enough infrastructures for environmental awareness and education at local, regional and global level we have to take holistic approach to combat environmental problem for our future. In order to make our country as Rabindranath Tagore wanted "Heaven of freedom". It is necessary we take an individual initiative to conserve and preserve our environment and to protect our wildlife as believing it is our moral duty to do so. We must remember the famous quote "LIVE AND LET LIVE". Our planet earth is also the planet of several of species of birds, animals, reptiles, plants, herbs and micro-organisms. Therefore, it is our responsibility as being the rational specie of this planet to make our environment, our earth a better place to live for us and for our future generation.

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<sup>&</sup>lt;sup>14</sup> Custom Environment Conservation essay paper writing service http://www.essaysprofessors.com/samples/Environment/Environment-Conservation.html

<sup>&</sup>lt;sup>15</sup>Environmental Awareness and Education, Debabrata Das Gupta, p. 35

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# ANALYSIS OF IMPACT OF PRICE REDUCTION ON BHARTI AIRTEL AND IDEA CELLULAR CUSTOMERS WITH SPECIAL REFERENCE TO EASTERN RAJASTHAN, INDIA

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#### **ABSTRACT**

The increase in number of players in cellular telephony has raised the expectation level of customers compelling firms to devise strategies to gain competitive edge. Thus, the main objective of this study is to comparatively study impact of price reduction on customers of Airtel and Idea. Impact of price reduction on internet usage, messaging, national and international calls etc. has been analyzed. The study involves a sample of 250 existent customers for Bharti Airtel and Idea Cellular respectively and the methodology employed is structured questionnaire for customers and employees separately with reference to eastern Rajasthan. By identifying the strategic issues that affect customer decisions the present research will contribute to the understanding of the influence of price reduction. It would also enable marketing managers to identify impact of price dimension and to concentrate firm's efforts on those factors which enhance customer satisfaction. It is an exploratory study.

Key words: Telecommunication services, Bharti Airtel, Idea Cellular, Eastern Rajasthan, Price reduction.

#### **INTRODUCTION**

Telecommunication sector in India has contributed significantly to the country's economy with signs of profitability. The key players in telecommunication are Bharti Airtel, Reliance Communication, Vodafone, Idea, BSNL and Tata Communications.

The intensified competition in the telecommunication sector has lead consumers to enjoy sumptuousness of choice and higher bargaining power. Telecom companies in current times are becoming customer centric and are striving hard for distinction in the way they deliver services to the customers. The present study attempts to identify the influence of price reduction on customer decisions.

#### ORGANIZATIONS STUDIED

#### **Bharti Airtel Limited**

Bharti Airtel Limited headed by Sunil Bharti Mittal is a leading telecommunication service provider with its services and operations in 20 countries across Asia and Africa having headquarters in New Delhi. In India, it provides 2G, 3G and 4G services, fixed line, high speed broadband through DSL, IPTV and DTH. Bharti Airtel is segregated into four strategic business units - Mobile, Telemedia, Enterprise and Digital TV.

#### Overview of Idea

An Aditya Birla Group Company, the services offered by Idea includes Android based 3G Smartphone, dongles etc. with a wide range of 3G applications and high-end data services such as Idea TV, games, social networking etc. at moderate prices.

#### **OBJECTIVE OF THE STUDY**

The main objective of the present study involves examining the influence of price reduction on customer usage of telecommunication services for Airtel and Idea.

#### **METHODOLOGY**

The methodology of collecting and interpreting data is as follows:

#### HYPOTHESIS OF THE STUDY

**H**<sub>01</sub>: There is no significant effect on usage of telecom services when price of products and service were reduced at both Airtel and Idea.

#### RESEARCH SAMPLE

The present study has been conducted on two Indian telecom giants, market leader-Airtel and market challenger-Idea. The study is carried in four cities of Eastern Rajasthan with varied demographics. A pilot survey was conducted on a sample of 50 respondents drawn from Jaipur city on convenience basis. An online sample size calculator provided by Raosoft.com was used to calculate sample size. A minimum of 385 respondents were recommended by the software for the survey. The final sample size taken for the study was

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550. Customers were drawn on the basis of multi-stage sampling while purposive sampling technique was employed for employees.

Sample size – The sample size was distributed as following-

- Customers: Total 500 customers from Jaipur, Bharatpur, Alwar and Dausa were chosen as respondents.
  - No. of Customers of Idea Cellular 250
  - No. of customers of Bharti Airtel 250

The research was limited to four districts with 100 respondents from Jaipur and 50 each from Bharatpur, Alwar and Dausa for each Airtel and Idea.

**Table 1 District-wise Number of Respondents** 

Category of Respondents	Name of Unit	No. of Respondents (Bharti Airtel)	No. of Respondents (Idea Cellular)
	Jaipur	100	100
Customers	Dausa	50	50
	Alwar	50	50
	Bharatpur	50	50
	Total	275	275

The demographic data for customers were tabulated in Table 2:

**Table 2 Demographic Profile of Customers** 

Demographic Variables	Factors	Airtel (%)	Idea (%)
Age	15-40 years	95.2%	92%
	40-60 years	4.8%	8%
Educational	Under Graduates	48.4%	41.2%
Qualification	Graduates	30%	29.2%
	Post Graduates	10.8%	11.2%
	Professional	3.2%	3.2%
	Others	7.6%	15.2%
Occupation	Students	56.4 %	41.2 %
	Service	18%	30%
	Self-employed	25.6%	25.6%
	Housewives		3.2%
Type of connections	Pre-paid	91.6%	98%
	Post-Paid	8.4%	2%
Duration of usage of	Less than 1 month	2.8%	2.4%

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services	2-6 months	20.8%	9.6%	
	6-12 months	10.4%	7.2%	
	More than a year	66%	80.8%	

#### DATA COLLECTION TOOL

A consumer survey was carried out using structured questionnaire designed separately for both. The selected respondents in both cases responded to 12 statements on 5-point Likert Scale (1=Strongly disagree to 5=Strongly agree). The data was collected using face to face interview. The impact of price reduction on overall usage including enhanced duration of local and STD calls, more messaging and increased internet usage was studied.

#### **DATA ANALYSIS**

Reliability Analysis has been done to measure internal consistency of variables. Cronbach's alpha has been used to measure internal consistency. For the purpose of testing hypotheses Independent T-Test and Chi-square test have been considered.

The Independent T-Test compared the means between two unrelated groups Airtel and Idea on the same continuous, dependent variables. The SPSS T-Test method allowed the testing of equality of variances (Levene's test) and the *t*-value for both equal- and unequal-variance. It also provided the relevant descriptive statistics.

In the present study the internal consistency of two questionnaires was found to be strong and reliable as the Cronbach's alpha score was close to 1. Table 3 shows reliability score of 0.852 for questionnaire related to customers.

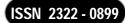
Table 3: Reliability Analysis of Questionnaire for Customers

Reliability Statistics						
Cronbach's Alpha	N of Items					
0.852	72					

Comparative Analysis of effect of price reduction for Airtel vs. Idea Customers revealed the following results:

**Table 4: Effect of Price Reduction (Customers)** 

Group Statistics								
	Organization	N	Mean	Std. Deviation	Std. Error Mean			
The usage remains same	Idea	250	2.79	1.146	.072			
The usage remains same	Airtel	250	2.65	1.103	.070			
Increased local calls of long duration	Idea	250	3.56	.977	.062			
increased local cans of long duration	Airtel	250	3.82	.752	.048			
Increased STD calls of long duration	Idea	250	3.14	.954	.060			
increased STD cans of long duration	Airtel	250	3.20	.917	.058			
Increased Messaging	Idea	250	3.38	.880	.056			
increased Wessaging	Airtel	250	3.45	.981	.062			
Ingrassed Internet usego	Idea	250	3.12	1.119	.071			
Increased Internet usage	Airtel	250	3.53	.998	.063			
Suggested subscriber to friends and	Idea	250	3.93	.905	.057			
relatives	Airtel	250	3.72	.751	.047			



**Table 5: T-Test for Effect of Price Reduction (Customers)** 

Table 5 :T-Test for Effect of Price Reduction (Customers)  Independent Samples Test										
Znaoponaoni Sumptes Lest										
Levene's Test for Equality of Variances			T-Test for Equality of Means							
		F	Sig.	Т	df	Sig. (2-tailed)	Mean Differenc e	Std. Error Differenc e		nfidence l of the rence Upper
The usage remains	Equal variances assumed	.613	.434	1.431	498	.153	.144	.101	054	.342
same	Equal variances not assumed			1.431	497.269	.153	.144	.101	054	.342
Increased local calls of long duration	Equal variances assumed	32.495	.000	-3.334	498	.001	260	.078	413	107
	Equal variances not assumed			-3.334	467.487	.001	260	.078	413	107
Increased STD calls of long	Equal variances assumed	.961	.327	621	498	.535	052	.084	216	.112
duration	Equal variances not assumed			621	497.207	.535	052	.084	216	.112
Increased Messaging	Equal variances assumed	2.210	.138	816	498	.415	068	.083	232	.096
	Equal variances not assumed			816	492.212	.415	068	.083	232	.096
Increased Internet usage	Equal variances assumed	3.315	.069	-4.386	498	.000	416	.095	602	230
	Equal variances not assumed			-4.386	491.697	.000	416	.095	602	230
Suggested subscriber to friends and relatives	Equal variances assumed	1.939	.164	2.851	498	.005	.212	.074	.066	.358
	Equal variances not assumed			2.851	481.640	.005	.212	.074	.066	.358

Table 5 shows different values of Independent T-Test, Levene's F-test for equality of variances and significance probability for effect of price reduction on the usage of services at Airtel and Idea.

#### **DESCRIPTION**

The Levene's Significance value for increased local calls of long duration  $\mid p=.000 \mid$  i.e.  $\mid p<.05 \mid$ . This means that the variability in the two conditions is not the same. The Sig. (2- Tailed) value for increased local calls of long duration  $\mid p=.001 \mid$  i.e.  $\mid p<.05 \mid$  and is statistically significant.

The Levene's Significance value for usage remains same |p| = .434, Increased STD calls of long duration |p| = .327, Increased Messaging |p| = .138, Increased Internet usage |p| = .069, and Suggested subscriber to

friends and relatives |p=.164| i.e. |p>.05|. This explicates that the variability in two conditions is about the same. The Sig (2-Tailed) value for Increased Internet usage |p=.000| and Suggested subscriber to friends and relatives |p=.005| i.e. |p<.05| and is statistically significant. The Sig. (2-Tailed) value for the usage remains same |p=.153|, Increased STD calls of long duration |p=.535|, and Increased Messaging |p=.415| i.e. |p>.05| which is statistically not significant.

#### **INTERPRETATION**

The mean from Group Statistics box (Table 4) divulged that when price of products and service were reduced at Airtel and Idea, significant changes were observed. Customers of Airtel made more local calls of long duration and there was more usage of internet in comparison to Idea customers. Though effect of price reduction was observed stronger in case of Airtel however the extent of suggesting the services to Friends & relatives was higher at Idea.

Since  $\mu 1 \neq \mu 2$  for some variables of low-pricing strategy, null hypothesis is rejected and alternate hypothesis is accepted. Here it can be concluded that there was significant effect of reducing prices on the usage of product and services.

Chi-square test for effect of price reduction on both airtel and Idea customers are exhibited in Table 6 and 7:

**Table 6: Chi-square Test for Effect of Price Reduction (Airtel Customers)** 

Test Statistics								
	The usage remains same	Increased local calls of long duration	Increased STD calls of long duration	Increased Messaging	Increased Internet usage	Suggested Airtel to friends and relatives		
Chi-Square	129.400 <sup>a</sup>	304.280 <sup>a</sup>	158.440 <sup>a</sup>	115.000 <sup>a</sup>	168.880 <sup>a</sup>	274.200 <sup>a</sup>		
Df	4	4	4	4	4	4		
Asymp. Sig.	.000	.000	.000	.000	.000	.000		

a. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 50.0.

Table 6 shows different values of chi square test for effect of price reduction on the usage of Airtel products and services.

#### **DESCRIPTION**

The Chi-Square value for the usage remains same  $\chi^2=129.400$  (4), p=.000, Increased local calls of long duration  $\chi^2=304.280$  (4), p=.000, Increased STD calls of long duration  $\chi^2=158.440$  (4), p=.000, Increased Messaging  $\chi^2=115.000$  (4), p=.000, Increased Internet usage  $\chi^2=168.880$  (4), p=.000, and Suggested Airtel to your friends and relatives  $\chi^2=274.200$  (4), p=.000. The Significance Probability for all variables of 'effect of price reduction' is less than 0.0001 or p<.05 which is significant.

**Table 7: Chi-square Test for Effect of Price Reduction (Idea Customers)** 

Tuble 7. Oil square Test for Effect of Trice Reduction (faca Customers)										
	Test Statistics									
	The usage remains same	Increased local calls of long duration	Increased STD calls of long duration	Increased Messaging		Suggested Idea to your friends and relatives				
Chi-Square	96.760 <sup>a</sup>	196.080 <sup>a</sup>	120.960ª	151.880 <sup>a</sup>	55.440 <sup>a</sup>	164.800 <sup>a</sup>				
Df	4	4	4	4	4	4				
Asymp. Sig.	.000	.000	.000	.000	.000	.000				

a. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 50.0.

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Table 7 shows different values of chi square test for effect of price reduction on the usage of Idea products and services.

### DESCRIPTION

The Chi-Square value for the usage remains same  $\chi^2 = 96.760$  (4), |p = .000|, Increased local calls of long duration  $\chi^2 = 196.080^a$  (4), |p = .000|, Increased STD calls of long duration  $\chi^2 = 120.960^a$  (4), |p = .000|, Increased Messaging  $\chi^2 = 151.880^a$  (4), |p = .000|, Increased Internet usage  $\chi^2 = 55.440^a$  (4), |p = .000|, and Suggested Idea to your friends and relatives  $\chi^2 = 164.800^a$  (4), |p = .000|. The Significance Probability for all variables of 'effect of price reduction' is less than 0.0001 or |p < .05| which is significant.

## **INTERPRETATION**

The significance value |p<.05| of all variables of price reduction for Airtel and Idea indicates that there is statistically significant relationship between the variables of price reduction strategy. This means that when price of products and service were reduced at Airtel and Idea, significant changes were observed. Customers of both Airtel and Idea increased their usage of telecom service than before. They made more calls of long duration both national and international, sent more messages, and increased usage of internet.

## FINDINGS, CONCLUSIONS AND POLICY RECOMMENDATIONS

From the findings of this case research, it can be inferred that telecommunication companies need to focus on price of products and service as when they were reduced at Airtel and Idea, customers of both competitors increased their usage of telecom services. They made more national and international calls, the duration of the calls was also longer, more messages were sent and there was increased usage of internet. Because the price was low, customers suggested Airtel and Idea to people they knew.

The above analysis concluded that customers are value conscious and seek low cost products and services implying that marketers have to give due consideration to pricing strategy while designing product-service mix. Products and service should be offered keeping in view customers affordability. Flexible pricing can be used for recharges i.e. instead of options given by company, customers can ask for the amount of recharge and certain percentage of price could be charged to service tax. This finding can assist marketers in devising effective pricing strategies for their services.

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## UPSHOT OF DEMOGRAPHIC VARIABLES ON EMPLOYEE LOYALTY ACROSS THE STAR HOTELS IN INDIA

## Kiruthiga.V and R.Magesh

### **ABSTRACT**

Hotels are extremely important component of tourism industry as the industry has the most frequent flows of human resources. Hotels contribute to the sector by offering services and facilities of extremely high standard. Now-a-days the number of hotels in India has rapidly increased and so the employees are frequently shifting their jobs once they get better offers. The hotels should aim in building loyalty among the employees. Employee loyalty arise because of several sources which includes levels of role ambiguity, autonomy, quality of supervision, quality of social relationships, and level of support in the workplace. The study was conducted among 500 employees of star category hotels across India through a well designed questionnaire using percentage analysis and ANOVA.

*Keywords: Hotel industry, employee loyalty* 

### INTRODUCTION

The size of the hospitality sector of India is considered as a sum of market share of two segments. The first segment is revenue obtained from travel businesses while second is revenues acquired from hotel businesses. According to the data released by Planning Commission, Indian hospitality sector is the second largest employer in the country as it is capable of offering employment opportunities to a wide range of job seekers from professional to unskilled workers. The hotels access to the human resources of high frequency compared to the other enterprises. The possibility of a brain drain in hotels is more than for other enterprises. In Today's world of competitive development, the hotel industry should try to increase the satisfaction of employees by motivating them and at the same time they should aim in developing their business.

The most important source for the success of the hotel business are their valuable employees. The efficient and effective performance of an employee is the building block for the success of hotel business. The employees who work effectively and perform well, shows that they are satisfied with their job. This implies the growth of hotel business depends on employee loyalty. Besides that, employees' attitudes and behaviours play a vital role in the quality of work. In this regard, employees are primarily responsible for providing a sustainable competitive advantage for the hotels. Apart from that, higher employee loyalty can help the hotel industry to retain the employees because employees have high satisfaction toward their jobs.

## LITERATURE REVIEW

Heskett et al. (1994) claims that a satisfied employee will be loyal and the level of service provided by the employees to the organisation will contribute to customer satisfaction and loyalty which in turn increases the productivity and profitability of the organisation. Loyalty of the employees will increase in organizations where employees are valued. This will help in increasing the sense of pride of the employees and will work to their fullest potential Cole (2000). The study conducted by (Silvestro, 2002) revealed that when the organisation treats the employees as a valuable asset it results in the improvement of their commitment and loyalty which leads to higher performance and quality. Career development plays an important role in increasing the loyalty of the employees. According to Kreisman (2002), career development is important in retaining employees. Skill development opportunities and career movement are key attractors of the organizations. If an organization does not recognize the individual needs and desire to grow, then the lack of development will becomes a primary reason for resignation. Shanker, Smith and Rangaswamy (2003) in their research suggested that loyalty and satisfaction have a relationship. Satisfaction and Loyalty positively reinforces the other. Satisfaction builds loyalty, which in turn reinforces satisfaction.

The Job satisfaction helps in examining the attitudes and issues which influence the behaviour of loyal hotel employees. High employee loyalty will help the hotel industry to retain the employees because the satisfaction levels of the employees towards their jobs increases. Therefore, hotel industry should maintain higher employee loyalty in order to reduce absenteeism and increase retention rate of employees. Retaining employees can play a critical role in the financial health of an organisation because replacing employees can cost 150 percent or more of an employee's annual salary (Bliss, 2001).

The supervisors should be in a position to support and take care of the employees when the employees need them to solve work related issues. This will boost up the satisfaction level among the employees leading to

greater loyalty (Griffin, Patterson and West, 2001). According to the research work conducted by Cunha et al. (2002) it has been found that if the organisation culture, structure and leadership managed properly to satisfy employees it will help in building employee loyalty in a effective way.

### RESEARCH METHODOLOGY

The study was conducted among 500 employees of star category hotels across India through a well designed questionnaire. Percentage analysis was used to determine the overall loyalty among the employees and ANOVA was used to determine the impact of demographic variables on employee loyalty.

### **RESULTS AND DISCUSSIONS**

Table 1 Overall employee loyalty

Level of Loyalty	Frequency	Per Cent
Low	80	16.00
Medium	334	66.80
High	86	17.20
Total	500	100.00

### Table 2 ANOVA

Variables	F-Value	Significant Valus
<b>Hotel Category</b>	6.951	0.000
Gender	8.213	0.000
Age	4.679	0.000
Marital Status	5.550	0.000
Number of dependents	5.184	0.000
Nature of Residence	6.713	0.000
Education	5.247	0.000
Experience	5.491	0.000
Employment level	6.787	0.000
Work shift	6.973	0.000
Working hours	6.858	0.000
Functions	3.436	0.000

Table 1 indicates the overall employee loyalty among the employees of star category hotels. And Table 2 indicates the summary of the ANOVA results of the overall employee loyalty and demographic variables.

It can be interpreted that 16% of the employees have a low level of loyalty towards their hotel, 66.80% of the employees have a medium level of loyalty and 17.20% of the employees have high loyalty towards the star category hotel. The F-value of 6.951 is statistically significant at one per cent level indicating that there is a significant difference between the loyalty level of the employees with the star category hotels and the category of star hotels. Hence, the null hypothesis of there is no significant difference between the loyalty level of the employees with the star category hotels and the category of star hotels is rejected.

The F-value of 8.213is statistically significant which indicates that there is a significant difference between the loyalty of employees with the star category hotels and the gender of the employees. Hence, the null hypothesis of there is no significant difference between the loyalty of employees with the star category hotels is rejected. There is a statistically significant relationship between the different age group of employees and the loyalty levels of the employees with the hotel, which is relevant from the F-value of 4.679. Hence, the null hypothesis of there is no significant difference between the different age group of employees and the loyalty levels of the employees with the hotel is rejected.

It can be inferred from the significant value of 0.000 and a F-value of 5.550, that there is a statistically significant relationship between the marital status of employees and the loyalty level of the employees with the star category hotels. Hence, the null hypothesis of there is no significant difference between the marital status of employees and the loyalty level of the employees with the star category hotels is rejected.

It can be inferred from the F-value of 5.184 that there is a statistically significant relationship between the number of dependents that the employees of star category hotels have and their loyalty level with the star category hotels. Hence, the null hypothesis of there is no significant difference between the number of dependents that the employees of star category hotels have and their loyalty level with the star category hotels is

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rejected. It can be inferred from the F-value of 6.713 that there is a statistically significant relationship between the nature of residence that the employees of star category hotels live and their loyalty level with the star category hotels. Hence, the null hypothesis of there is no significant difference between nature of residence that the employees of star category hotels live and their loyalty level with the star category hotels is rejected.

The F-value of 5.247 implies that there is a statistically significant relationship between the educational level of employees in star category hotels and their loyalty with the star category hotel. Hence, the null hypothesis of there is no significant difference between educational level of employees in star category hotels and their loyalty with the star category hotels is rejected. It is indicated from the F-value of 5.491 that there is a statistically significant relationship between the different years of experience among employees in star category hotels and the employee loyalty in the star category hotel. Hence, the null hypothesis of there is no significant difference between different years of experience among employees in star category hotels and the employee loyalty in the star category hotel is rejected.

It is inferred from the F-value of 6.787 that there is a statistically significant relationship between the shifts in which the employees work in star category hotels and the loyalty level of employees with the star category hotel. Hence, the null hypothesis of there is no significant difference between shifts in which the employees work in star category hotels and the loyalty level of employees with the star category hotel is rejected. From the significant value of 0.000 and a F-value of 6.973, it can be inferred that there is a statistically significant relationship between the hours of work in star category hotels and the employee loyalty level with the star category hotels. Hence, the null hypothesis of there is no significant difference between the hours of work in star category hotels and the employee loyalty level with the star category hotel is rejected.

The F-value of 6.858 indicates that there is a statistically significant relationship between the level of employment in which the employees of star category hotels work and their loyalty levels with the star category hotels. Hence, the null hypothesis of there is no significant difference between the level of employment in which the employees of star category hotels work and their loyalty levels with the star category hot is rejected. The F-value of 3.436 indicates that there is a statistically significant relationship between the functions in which the employees of star category hotels work and the loyalty level of the employees with the star category hotels. Hence, the null hypothesis of there is no significant difference between the functions in which the employees of star category hotels work and the loyalty level of the employees with the star category hotels is rejected.

## CONCLUSION

Employee loyalty is a dual process. The employers should be clear in showing their loyalty towards their employees by providing the benefits at the right time, creating a interactive working environment and maintaining a supportive work relationship. This will in turn induce loyalty among the employees to the hotels. Earlier recruiting and retaining employees were easier because the employees felt satisfied if they earn for what they worked. But now-a-days money is not the ultimate goal for employees they derive satisfaction from other things. The hotel industry should pay attention to these things in order to attract, motivate and retain employees. As employee retention has become critical issue, the hotels should give attention in improving loyalty among the employees. Hotel industry should maintain higher employee loyalty in order to reduce absence and turnover rate of employees.

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## MICROMANAGEMENT- BOON OR BANE AN EMPLOYEE'S PERCEPTION -with reference to IT Sector

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### **ABSTRACT**

Micromanagement is micromanaging the people that is keeping excessive control over employees and keenly observing their activities. Now – a –days, the managers of various companies are micro managing the employees for getting things done. Micromanager uses this concept to motivate, train and getting work done on time. But employees feel over controlled, over guided and over advised. This study aims to find out that micro management is a boon or a bane. For the completion of the study, primary data is collected from 250 employees from different 5 different IT companies (50 each from each company) through convenience sampling. The companies undertaken for the study are Tata Technologies, Amdocs, IBM, Wipro, and Infosys.

Key Words: Micro management, boon, bane, IT companies

### INTRODUCTION

Micromanagement is micromanaging the people that is keeping excessive control over employees and keenly observing their activities. It may be due to concern for details, increased performance pressure or insecurity. Another important reason of micromanaging is to eliminate unwanted employee by creating a stressful environment. Micromanagement generally de-motivates employees and creates resentment and also damage trust. The merits of micromanagement are that the employee is constantly corrected, guided, advised, counseled and mentored by the boss. Micromanagement is good if the employee is new to the organization. It is like an infant being cared and nurtured by his mother. But over a period of time, the employee feels confident and comfortable in handling and executing the tasks of his own and would be comfortable in being independent. And if the process of micromanagement persists the employee gets discomfort and feels irritated just as in the case of adult who is mature but still treated by his mother still It is an effective method to train employees who are new to the organization and guide them to work effectively .It improves their performance and the end results they derive out of them are accurate as they are supervised and guided by the managers.

It has disadvantages too like it restricts innovation and creativity. There is no room for self confidence. It is like centralization and hinders the development of employees. It also creates the paralyzed environment for employees and finally it results in dissatisfaction amongst employees and increase in high employee turnover ratio.

## REVIEW OF LITERATURE

**Chambers, Harry E** (2004) studied investigating that Micromanagement restricts the ability of micromanaged people to develop and grow, and it also limits what the micromanager's team can achieve, because everything has to go through him or her.

When a boss is reluctant to delegate, focuses on details ahead of the big picture and discourages his staff from taking the initiative, there's every chance that he's sliding towards micromanagement. The first step in avoiding the micromanagement trap (or getting out of it once you're there) is to recognize the danger signs by talking to your staff or boss. If you're micromanaged, help your boss see there is a better way of working. And if you are a micromanager, work hard on those delegation skills and learn to trust your staff to develop and deliver. **Rao M.S.** (2003) reviewed the literature; micromanagement is essential if there is poor performance from the subordinates and if there is need for spoon feeding. In such a scenario it is advisable to upgrade the skills and abilities of the employees and also it is necessary to equip them with requisite tools and techniques to stand on their feet and perform better. The low morale among the employees and low production and productivity, performance and attrition are the result of micromanagement. Therefore, micromanagement is more of a bane than a boon. To sum up, what is required for the successful functioning of an organization is not micromanagement but macro management. **Hyatt Michael (2012)** concluded telling people how exactly they should do their tasks is usually stupid because they usually know better. They are closer to issues, closer to code/functionality/project plan/whatever and they work on that every single day (not only during micromanagement day of the week). Manager is like a driver – he can say if the car looks nice and drives fast.

His team is like mechanics – they know what exactly happens in the environment. **Feimen Frode** (2010) concluded that Manager's competence doesn't cover all competence in her team. They usually aren't the best developer, the best tester, the best project manager. They have the best managerial attributes. **Buskie** (2010) suggested that when a manager closely oversees an employees work, they realize that it means that in the manager's view of employee are not fully qualified to complete the work by the deadline (i.e., it is challenging work). The manager's current view is what it is; employee cannot change it, but it can determine what his view will be in the future. The manager may believe that he can assign the employee similar work in the future with less oversight. The manager may believe he or she gave their best effort but the task failed; the manager will likely assign similar work in the future. The manager may question whether his current estimation of the employee is too high and more closely oversee other work as well.

### **OBJECTIVES OF THE STUDY**

Micromanagement is a situation where a manager or some other senior person looks after the work of an employee on a continuous basis. The objective of the study is:

✓ To identify whether micromanagement is a boon or a bane for the organization.

### RESEARCH METHODOLOGY

Primary data is collected from 250 employees from different 5 different IT companies (50 each from each company) through convenience sampling. The companies undertaken for the study are Tata Technologies, Amdocs, IBM, Wipro, and Infosys. For the successful completion of the study primary data is collected through questionnaire. The data collected from questionnaire was analysed through mean and standard deviation. Questionnaire is divided into two parts:

- 1) Variables related to micromanagement a boon: Constant check on employee's performance, Helpful when working with people new to industry, Finish off work on time, End results are accurate, Lesser work for employees, Improves employee performance, Ensures workers work according to the manager standards, Effective method to train employees, Motivate underperforming employees to work hard, Control high risk issues
- 2) Variables related to micro management a bane: Limits thinking and analyzing ability of employees, High level of interference, Deterioration of relationships of employee and the manager, Paralyzed environment, Discourage their employees to take initiative, Low productivity, Low job satisfaction, Decreases enthusiasm and drive of employees, High turnover ratio, Issues over teamwork, Restricts innovation, Slows down workflow, Lack of trust, Effects employee development, Lack of recognition, Dissatisfaction of employees, Negative work atmosphere.

## DATA ANALYSIS AND INTERPRETATION

Table 1: Table depicts mean and standard deviation for micro management as a boon

Variables	Mean	Standard Deviation
Constant check on employee's	2.16	.946
performance		
Helpful when working with people new to	3.58	.636
industry		
Finish off work on time	3.69	.722
End results are accurate	3.03	.893
Lesser work for employees	1.59	.888
Improves employee performance	2.03	.944
Ensures workers work according to the	2.48	.915
manager standards		
Effective method to train employees	2.99	.869
Motivate underperforming employees to	3.02	.781
work hard		
Control high risk issues	3.21	.618
Total	2.77	.821

On the basis of mean score of 1 to 5 where 1 is strongly disagree and 5 is strongly agree, employees are agree that micro management helps people when people are new to company, it helps in finishing off the work in time, end results are accurate and to control high risk issue. But employees are disagree that due to micromanagement there is lesser work for employees and getting work done on time. Employees think that constant and frequent check on employees restricts employee performance and creativity. The employees of IT Companies are agree from following variables for micro management as a boon where mean score is 4

- Helpful when working with people new to industry
- Finish off work on time

The employees of IT Companies are neutral from following variables for micro management as a boon where mean score is 3.

- End results are accurate
- Effective method to train employees
- Motivate underperforming employees to work hard
- Control high risk issues

The employees of IT Companies are disagree from following variables for micro management as a boon where mean score is 2.

- Constant check on employee's performance
- Lesser work for employees
- Improves employee performance
- Ensures workers work according to the manager standards

  Overall mean score for micro management as a boon is 3 that show employees are neutral.

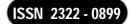
Table 2: Table depicts mean and standard deviation for micro management as a bane

Variables	Mean	Standard Deviation
Dissatisfaction of employees	3.21	.618
Limits thinking and analyzing ability of employees	2.80	.971
High level of interference	3.60	.806
Deterioration of relationships of employee and the manager	3.35	.752
Paralyzed environment	3.35	.758
Discourage their employees to take initiative	3.35	.747
Low productivity	3.02	.749
Low job satisfaction	3.35	.747
Decreases enthusiasm and drive of employees	3.36	.759
High turnover ratio	3.36	.759
Issues over teamwork	3.86	.725
Restricts innovation	3.97	.649
Slows down workflow	3.85	.727
Lack of trust	2.84	.869
Effects employee development	4.04	.525
Total	3.45	.744

On the basis of mean score of 1 to 5 where 1 is strongly disagree and 5 is strongly agree, employees are agree that micro management restricts creativity and innovation and it also re. But employees are disagree reduces work flow of organization. on employees restricts employee performance and creativity. It also effects employee development. According to the IT employees now a day's, most of the leaders are micro managers and this is really a bane for the organization. The employees of IT Companies are agree from following variables for micro management as a bane where mean score is 4

- High level of interference
- Issues over teamwork
- Restricts innovation
- Slows down workflow
- Effects employee development

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The employees of IT Companies are disagree from following variables for micro management as a bane where mean score is 3.

- Dissatisfaction of employees
- Limits thinking and analyzing ability of employees
- Overall mean score for micro management as a boon is 3 that show employees are neutral.
- Deterioration of relationships of employee and the manager
- Paralyzed environment
- Discourage their employees to take initiative
- Low productivity
- Low job satisfaction
- Decreases enthusiasm and drive of employees
- High turnover ratio
- Lack of trust

Overall mean score for micro management as a bane is 4 that show employees are agree.

### **CONCLUSION**

The findings of the data indicated that majority of the employees which were surveyed agreed that their managers are micromanagers as they have most of the qualities of a micromanager. Micromanagement is generally a Bane for employees rather than a Boon for them .Employees are of the view that micromanagement is of a help generally to employees which are new to the organization but they find it irritable when they have significant control over the work as they have to do the work according to the manager's standards 80% of employees are dissatisfied and neutral about them being micromanaged by their managers Most of the companies employees in the survey, in the organization prefer to work according to their standards .

Employees are agree that micromanagement has negative effect on the work performance of employees. Therefore, it is not just an individual issue but an issue that must be addressed by both the employer and the employee.

The findings of this study indicated that if an employee is constantly micromanaged it results in increasing in low job satisfaction and various other issues which might have a negative impact on the work performance of employees.

It is recommended, that employees should be micromanaged up to certain limit, beyond limit it reduces employee performance, discourage employees to take initiative, decreases productivity and job satisfaction, decreases enthusiasm and increases employee turnover ratio. The above analysis is done by the data received from the questionnaire. So the accuracy of data depends upon the response of the employees.

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## QUESTIONNAIRE

Encircle the correct no on the basis of agreeableness towards the following attributes:

## **Key attributes:**

Basis	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
1.Is Micromanagement a Boon for employees?					
Constant check on employee's performance	5	4	3	2	1
Helpful when working with people new to industry	5	4	3	2	1
Finish off work on time	5	4	3	2	1
End results are accurate	5	4	3	2	1
Lesser work for employees	5	4	3	2	1
Improves employee performance	5	4	3	2	1
Ensures workers work according to the manager standards	5	4	3	2	1
Effective method to train employees	5	4	3	2	1
Motivate underperforming employees to work hard	5	4	3	2	1
Control high risk issues	5	4	3	2	1
2.Is Micromanagement a bane for employees?		<u> </u>	l	1	ı
Limits thinking and analyzing ability of employees	5	4	3	2	1
High level of interference	5	4	3	2	1
Deteoriration of relationships of employee and the manager	5	4	3	2	1
Paralyzed environment	5	4	3	2	1
Discourage their employees to take initiative	5	4	3	2	1
Low productivity	5	4	3	2	1
Low job satisfaction	5	4	3	2	1
Decreases enthusiasm and drive of employees	5	4	3	2	1
High turnover ratio	5	4	3	2	1
Issues over teamwork	5	4	3	2	1
Restricts innovation	5	4	3	2	1
Slows down workflow	5	4	3	2	1
Lack of trust	5	4	3	2	1
Effects employee development	5	4	3	2	1
Lack of recognition	5	4	3	2	1
Dissatisfaction of employees	5	4	3	2	1
Negative work atmosphere	5	4	3	2	1

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## ISO 9000 – A TOOL FOR ACHIEVING SUCCESS OF THE TRAINING FUNCTION

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### **ABSTRACT**

ISO 9000 Certificate, a passport for global trade helps the organization to standardize the performance of all critical activities according to specific clauses of ISO 9000. By preventive measures it reduces the state of chaos, cost of poor quality etc. as well as encourages employee commitment and increases confidence of customers towards the products and services of the organization. The present discussion is on the Training Department of large-scale industrial organization in private sector who tried to be effective in its function for the improvement of organizational members according to the company policy. But the members of other functional departments were not spontaneously ready to consider training as one of the important and major functions like the core activities of the organization and were reluctant to co-operate with training activities. Naturally training department faced lot of functional and psychological problems related to training. Since at that time organization was also striving for ISO 9000, ultimately people were bound to change their attitude towards the need of training and through their changed behaviour realized the benefits of training.

### INTRODUCTION

To have a competitive advantage in corporate world, an organization needs to develop and co-ordinate suitable effective management strategies in all aspects. Obviously this is also true for highly inconsistent but the major potential resource of the organization i.e. for the development of human resource strategy. In selection of human resource development strategy, general emphases are given on the development of human potential or human competencies. In the planning phase of selecting and designing of such strategy, it has been seen that well recognized and accepted way for human resource development is through organizational training. But to get the positive outcome from training does not depend only on selection and design of levels and types of training but also on the compatible working environment where the trainees can utilize his new knowledge & skills. Therefore to realizeeffectiveness of training emphasize should be given on organizational development by the improvement of quality through standardized method. In practice, ISO 9000, an internationally accepted standard method boosts up an effective quality management system, which comprises of:

- Documenting and maintaining an effective quality management system.
- Standardizing the method of performing all critical activities of organization according to the specific clauses recommended by ISO 9000.

Keeping this in mind, a large-scale private sector organization uses to produce heavy materials for domestic and industrial purposes realized the significance to comply with ISO 9000 standard. Complying with ISO 9000 norms facilitate to

- Fill the gap between perception and reality of work of the organization
- Discourage own ways of work prevents a state of chaos.
- Use standard process prevents cost of poor quality.
- Standardize work procedure minimize rectification of work maximize the organizational development.
- Design and operating the system consistently according to quality system change and development of customer perception.

As ISO 9000 process consists of quality checking / quality auditing for compliances and surveillance with the system and encourages management-review to comply with the system, it helps in developing open communicationsystem all over the organization as well as regulating workflow and minimization of frustration. So ISO 9000 may help in smoothening target activities or functions of the organization. At the same time the decision for complies with ISO 9000 was to take care of the threats of global competition and at the same time opportunity to get passport to global markets with strong quality base. Hence, the concept of training was taken a re-look as per ISO 9000.

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## TRAINING ACTIVITIES AS PER ISO 9000

Clause 4.18 of ISO 9000 procedure recommends the following activities of training and developments

- 1) Establishing, maintaining and documenting procedures to identify training needs properly for regulating proper workflow.
- 2) Providing appropriate training for all personnel performing activities bearing on quality to minimize frustration.
- 3) Maintaining trainings records as a part of maintenance of management information system for developing open communication system.

### **OBJECTIVE OF THE STUDY**

With the backdrop of hitherto traditional training methods of employees (imposed by organization on employee, available standard programs, etc.); a tailor made, customized training system was introduced through establishment of Quality Management System. The present case study tried to highlight the impact of Quality Management System on the establishment of modernized training functions within the organization

## METHOD OF STUDY

## The Design of Study

A case study was done during the first phase of ISO 9000 certification process on the training activities of a large-scale private sector organization, which uses to produce heavy materials for domestic and industrial purposes.

## **Types of Data**

Data are mainly qualitative in nature. These are based on the open comments and observation of behaviour of the participants and nominees for the training programmes conducted by the organization.

## **Types of Sample:** Enumerative and purposive in nature

- i) Members of the organization who participated in all types of training programme within and outside the organization.
- ii) Members of the organization nominated by the authority or the departmental heads for the training programme.

## **Methods of Data Collection**

- i) Open comments made by the participants or the nominees of the training programme.
- ii) Open reactions about training activities.
- iii) General observations with reference to the different situation like when any departmental head was asked to nominate their members for training, during training session, interaction time and when asked to express reaction about the programme.

## Way of Analysis

It is done with the help of content analysis method, where from the content of the qualitative data, sequences and propositions were identified and thematic analyses were done. These analyses were tried to utilize for the proper functioning of ISO 9000 Clause 4.18.

## **ANALYSIS**

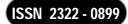
At the beginning training department used to face functional as well as psychological problems in establishing the quality standard and in fulfilling the training objectives of the organization. On the basis of the qualitative data the sequences for the problems and propositions according to quality systems are tabulated (Table I and Table II):

Table I: Analysis of Functional Problems of Training Programme and Activities

	Propositions
Sequences	
1. Contents of training programmes are mostly theoretical and have no relation with day to day activities	<ul> <li>i) Continuous process of Reaction level evaluation (Kirkapatric &amp; Kirkapatric, 2006) of training programme is required for modification of programme.</li> <li>ii) Identification of training need – with respect to content, &amp; process of the training programme and</li> </ul>

2. Opportunity should be given to employee that whatever learnt in the training programme can be applied at workplace.	with respect to types of participants are required.  iii) It should be mandatory to participate in designing contents of training programme, of members for whom the programme is going to be designed.  iv) To identify the effectiveness of programme, members of training department are required to participate as trainee.  i) First intermediate level followed by ultimate level of training evaluation (Kirkapatric & Kirkapatric, 2006) is required. It should be followed by "management review" by the management review committee in relation to training.
3. i) Very little idea developed through the training. It is not fulfilling the need of an individual.	<ul> <li>i) Proper identification of positional / functional and individual training needs should be done.</li> <li>ii) Updated training needs and compliance records should be maintained and make it available in management information system.</li> <li>iii) Continuous process of Reaction level (Kirkapatric &amp;</li> </ul>
ii) These types of trainings are not required.	Kirkapatric, 2006) of evaluation is needed.  iv) Review of the objective and design of training programme, in coordination with members of technical people of relevant functional area for which the trainings are organized, should be arranged.
4. Facilitators neither make any sense nor are they good communicator.	<ul> <li>i) If it is the view of all people then</li> <li>a) Feedback to facilitators and if necessary then</li> <li>b) Change the facilitators for next programme.</li> <li>ii) If it is the view of few people then identification of training need is required in respect to contents of the programe and selection of the participants for the programme.</li> </ul>
<ul><li>5. i) No prior information about training and no consensus taken from trainee about his or her availability during the programme.</li><li>ii) Informed too early to remember.</li></ul>	i) Publication of monthly and quarterly rolling plans for training with list of the participants for each programme. The call letters for training programme for each participant should be sent at least before 7 days for internal programme and 15 days for outside programme.
6. Every month a specific person is called for different training programme, which makes it difficult for the departmental head to release.	i) Need to review monthly and quarterly rolling plan, by the training department and respective department of the nominees for the programme.
	ii) No person should be sent to any training in consecutive months.
7. Same person is nominated for the same programme more than once.	i) Regular updates and circulation of the training records for all departments as a "quality document".
8. When influential people having negative attitude attend training, they use to attend very casually, irregularly or use to think that to attend training is a secondary work for them, thus diluting the effectiveness of training	<ul> <li>i) Venue can be selected outside the office premises to overcome any interruption.</li> <li>ii) Take resolution to make them discontinue in midst of training and ask reasons for irregularity from departmental head.</li> </ul>
	iii) Provide option to keep the record of the incident as

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	"quality record".  iv) Provide opportunity to place the matter in management review meeting.
9. After lunch the programme is virtually ineffective and gradually boring.	<ul><li>i) More interaction and involvement of the participants are required after lunch.</li><li>ii) Not to provide heavy or spicy food during lunch.</li></ul>

Table II: Analysis of Individual Psychological Problems of Training Programme and Activities		
Problems	Propositions	
1. Training is a kind of competency evaluation of	i) Gap analysis for matching the training objectives with	
individual – fear of insecurity	organizational objectives	
2.Too much work pressure. Day to day work is	ii) Explain the significance of the vision and objectives of	
more important than attending	the organization regarding training –arrangement of	
training programme – a barrier to change.	continuous informal communication meeting.	
3."I know better about my job than trainer".	iii) Participation in training need survey by respective	
Problem with ego, non-assertive attitude.	department – It may increase the involvement.	
4."I am in a higher position than training planner	iv) Involving respective department in designing the	
and or trainer. They cannot dictate". – problem	content of training programme.	
with ego, having wrong perception.	v) Choosing competent person from different departments	
5."My colleagues are not with me during	as facilitator of training programme.	
training" – feeling of social insecurity.	vi) Score in reaction level feedback is considered as an	
6. "Not nominating me for any outside training	additional weightage for performance appraisal, for the	
programme – these are prestigious" –irrational	facilitator from different department.	
approach for learning.		

## THEMATIC DEVELOPMENT OF ANALYSIS

To regulate the training function according to the Clause 4.18, Section 1.3 organizations need to be considered following objectives:

- 1) Identification of training need required to be intervened by the top level through management review, on the basis of analysis of the training need survey, analysis of the performance report, Management Information System, critical incidence or discussion with functional group, for whom the training programmes are used to arrange.
- 2) Regular publication of monthly and quarterly rolling plan of training function to aware and alert all categories of employees about the types of trainings are going to be held with the list of potential participants.
- 3) Involvement of functional department for identification of their training needs, decide the context of the total or part of the training programme according to the identified needs. Also responding to the evaluation of different level of training feedback and this should be published through monthly report for suggestion / comments / advice for improvement.
- 4) Documentation and updation of three level of individual training records organizational, positional and individual, training history of the organization as a whole and of each employee as well as the compliance records for the same. All the records should be maintained as a "controlled documents" at par with the norms of ISO 9000, in training department with a copy to the respective departmental.
- 5) Training calendar should be revised quarterly according to the need of the organization and their members.

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- 6) Training records should be revised quarterly for compliance and betterment.
- 7) Members of training group should act as internal auditor for Quality and take initiative for management review meeting.

## APPLICATION OF THE IDENTIFIED THEME THROUGH THE CLAUSES OF ISO 9000

All the propositions were standardized according to Clauses 4.18 of ISO 9000 but the suggested standard solutions as per thematic analyses could not be taken care of, as the people from other functional areas were reluctant to co-operate with training activities, as it was neither their core job responsibilities nor the core activities for the organization. Obviously, they were not ready to consider training as one of the important and major functions of organisation in respect to the work assigned to them. But systematization of training functions required to be fulfilled for achieving the ISO 9000 certification by the organization. These was achieved through the use of following clauses of ISO 9000:

Clause 4.17 of ISO 9000 recommends Internal Quality Audits to

- i) Verify whether Quality activities comply with planned arrangements
- ii) Determine the effectiveness of the Quality System.
- iii) Document the results of the audits and bring to the notice of the personnel responsible.
- iv) Make the personnel responsible to take timely corrective action.

Therefore if any department does not follow the Quality System as recommended by ISO 9000, then it will receive non-conformance report (ncr) from the Auditor. Moreover they were asked to explain reasons for non-conforming and creating the trouble to get ISO 9000 certificate to the top management during management review meeting (Clause 4.17). At the same time Clause 4.13 of ISO 9000 recommends the control of non-conforming product for use i.e., it hinders the compliance with training activities of that department. These compel to change the attitude of the non-conformers to initiate corrective action towards training functions. There also exists Clause 4.14 of ISO 9000, which recommends corrective action of non-conforming product, and the corrective action needed to prevent recurrence through which all the non-conformant for training activities can get opportunity to resolve the problem.

Now, once they are made to start to response positively towards the activities of organizational training then through the continuous process of interaction, it become habit and then ultimately realize the needs and benefits of modernized organizational training for individual as well as organization and automatically a compatible environment develops.

## **CONCLUSION**

Hence it can be said that Quality Management System triggers in smoothening any target activities or function of the organisation. It is an effective and important tool for organizational development through changing the environment of the organisation.

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## CONSUMER BUYING BEHAVIOR OF TOOTHPASTE BRANDS IN BHIWANI CITY

## Priyanka Sharma

## **ABSTRACT**

The success of any organisation depends upon the satisfaction of its consumers, if not they will switch to other brands. Due to this reason, the satisfaction of the consumers becomes priority for any organisation. For satisfying the consumers, one has to know about what consumer buy, why they buy it, when they buy it, how and how often they buy it and what made them to switch to other brands. The present paper is an attempt to study the toothpaste buying behavior among the individuals. The study also examines the various factors which influence the consumers to buy toothpaste of particular brand and reasons for their switching to other brands.

Keywords: Consumer behaviour, Toothpaste buying behaviour and Consumer Switching behavior.

### INTRODUCTION

Today the success of any organisation depends upon the satisfaction of consumers. For satisfying the consumers the firm should know about the behavior of the consumers. Consumer is an individual or group of individuals who select, purchase, use, or dispose of products, services, ideas, or experiences to satisfy needs and desires. The study of these individuals, groups, or organizations is what we call Consumer behaviour. The processes by which these organisations select, secure, and dispose of products, services, experiences, or ideas to satisfy needs and the impacts that these processes have on the consumer and society. It blends elements from psychology, sociology, social anthropology and economics. It attempts to understand the buyer decision making process, both individually and in groups. It studies characteristics of individual consumers such as demographics and behavioral variables in an attempt to understand people's wants. It also tries to assess influences on the consumer from groups such as family, friends, reference groups, and society in general.

In the present competitive era, organisations are increasingly focusing on the retention of their existing customers. Thus, Gaining knowledge about customers' switching behavior is very important for any organisation. Since, customers are the ultimate end users of any product or services, the success of any organisation depends upon the satisfaction of the consumers, if not they will switch to other brands. When any organisation loses a customer they are not only losing future earnings but also incurring the cost of finding new customers. Over time loyal customers become less price-sensitive therefore, losing loyal customer means giving up high margins. Thus, customer retention is the core concern of each and every organization. Due to this reason, the satisfaction of the consumers becomes priority for any organisations. The present paper is an attempt to study the toothpaste buying behaviour among the consumers.

## **OBJECTIVES**

- 1. To examine the consumer awareness of toothpaste usage.
- 2. To find out how promotional schemes are influencing the consumers.
- 3. To examine the factors influencing purchase decisions of consumers.
- 4. To study the reasons for consumer switching to other brands.

## REVIEW OF LITERATURE

The current literature revealed that experts and researchers have been giving more focus on customer retention. To retain customers, organizations have to understand their behavior and try to satisfy them, by catering their needs and preferences. Zain-Ul-Abideen and Salman Saleem (2008), found that emotional response of consumer purchase behavior is the variable that results into strong association with the consumer buying behavior. It has been seen that people purchase those brands with which they are emotionally attached. The given study presents new evidences in the field of consumer buying behavior of consumers pertaining to the local markets. In addition to it, advertising also plays an important role in making purchasing decisions of the consumers. Bashir and Malik, (2009), in the given study revealed that consumers considered advertisement as a reliable source of knowledge about any product or services. Advertisement can affect any income group individuals. Consumers were influenced by the appeal and personality used in the specific brand advertisements. It has been seen from the existing literature that understanding behaviour of consumers i.e. their needs and preferences has been studying over a time. Also, switching behaviour of theses consumers plays vital role in the long term sustainability of the organisations. Thus, the present study tries to understand the behaviour of toothpaste users and the various reasons for their switching to other brands.

### RESEARCH METHODOLOGY

The present study has been conducted among the consumers of Bhiwani City of Haryana State. These respondents have been chosen for the study from the different market places where consumers from different regional and cultural background prevailed. This study will be helpful in evaluating the attitude of the consumers towards usage of toothpaste. Also, various reasons for consumer switching to other brands have been studied. For the purpose of the given study primary as well as secondary data has been used. The Secondary data has been collected from various books, journals, published research papers etc. The primary data was collected by means of a self constructed questionnaire. Copies of the questionnaire were given personally to respondents. The questionnaire contained a total of 10 items. The non probability convenience sampling technique was used for gathering information from consumers. The respondents were conveniently selected and 200 respondents were personally meet to give their responses. The collected data was analyzed using Simple percentage method.

### DATA ANALYSIS AND INTERPRETATION

The study deals with the analysis of consumer awareness towards toothpaste usage. The responses from the respondents were subjected to simple percentage method, in order to know the inferences out of the collected data.

**Table 1.Demographic Profile** 

S.No	Demographic Variables	Classification	No of	% of Respondents
			Respondents	
1.	Age	30 & Above 30	78	39
		Below 30	122	61
2.	Gender	Male	72	36
		Female	128	64
3	Educational Qualification	Graduate	146	73
		Post Graduate	54	27
4	Occupational Status	Service	162	81
		Business	38	19
5	Monthly Family Income	Below 25000	42	21
		25000-35000	68	34
		Above 35000	90	45

As revealed from the Table 1, more than half of the respondents (61%) have their below 30 years and 39% have 30 and above years. Majority of the respondents of the given study are females (64%) and 36% are males. About 27% respondents have their qualification as post-graduation and 73% as graduation. It has been seen that 81% respondents in service and 19% are businessman. Also, it has been found that about 45% have their monthly family income above Rs. 35,000, 21% respondents have below Rs,25,000 and ranging between Rs. 25,000-Rs. 35,000 and 34%.

Table 2.Frequency of using toothpaste per day

Usage	No of respondents	Percentage (%)
Uses Once	146	73
Uses Twice	54	27
Uses More	0	0

Table-2 indicates the frequency of using toothpaste per day by the respondents. It has been found that about 73 % of the respondents using once in day toothpastes and 27 % were found using toothpaste twice per day. Here no one was found who used toothpaste more than twice in a day.

Table 3.Frequency of buying toothpaste per month

Usage	No of respondents	Percentage (%)
Once	140	70
Twice	50	25
More	10	05

Table-3 indicates the frequency of buying toothpaste per month by the users. The given data revealed that most of the respondents buying toothpaste once in a month (70 %), 25 % buy twice in a month and only 5% respondents are buying toothpaste thrice in a month.

Table 4. Type of toothpaste used

Usage	No of respondents	Percentage (%)
Anti-decay	48	24
Desensitizing	108	54
Whitening	34	17
Others	10	05

Table 4 depicts about awareness of the people regarding various brands of toothpastes like anti-decay toothpaste, desensitizing toothpaste, whitening toothpastes and others. Most of the respondents (54 %) aware of desensitizing toothpastes. 24 % respondents aware of anti-decay toothpastes, 17 % aware of whitening toothpastes and 5 % constitute others category.

Table 5.No of Toothpaste Brands used

Usage	No of respondents	Percentage (%)
One	142	71
Two	36	18
More than two	22	11

Table 5 identified the usage of different brand by the respondents. An examination of the data revealed that most of the respondents (71%) used only one brand, 11% respondents used more than two brands and 18% respondents used only two brands.

**Table 6.Factors affecting in Buying Toothpaste** 

Usage	No of respondents	Percentage (%)
Price	108	59
Availability	54	27
Packaging	22	11
Others	06	03

Table- 6 shows the reasons to buy Toothpaste by the respondents. The consumers are influenced by the Price, availability and Packaging of the product. It has been seen that about 27% respondents buy Toothpaste depending upon the availability of a particular brand, 59% influenced by the price, 11 % influenced by the packaging, and 03% influenced by other factors.

Table 7. What makes you to prefer toothpaste?

Usage	No of respondents	Percentage (%)
Brand	84	42
Quality	54	27
Price	46	23
Others	16	08

Table-7 shows the reasons to prefer Toothpaste by the respondents. The consumers are influenced by the brand, quality and Price of the product. It has been seen that about 42% respondents prefer Toothpaste by brand, 27% influenced by the quality, 23 % influenced by the price and 8% influenced by other factors.

Table 8. Factors which make you to buy toothpaste?

Usage	No of respondents	Percentage (%)
Friends	46	23
Parents	06	03
Self	134	67
Spouse	14	07

Table-8 indicates the persons who influenced consumer to purchase Toothpastes. An examination of the table revealed that the people who influenced more are parents, friends, spouse and self decision. Based on the above data, 67% of the respondents decide themselves for using a Toothpastes, friends influenced (23%), spouse (7%) and 3 % are influenced by their parents.

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Table	9.Promotion	that	attracts	vou
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Usage	No of respondents	Percentage (%)
Advertisement	104	52
Celebrity	34	17
Banner	48	24
Other	14	7

Table- 9 depicts one more reason to buy Toothpaste by the respondents. The consumers are influenced by the advertisement, celebrity and banner of the product. It has been seen that about 52% respondents buy Toothpastes influencing by advertisement, 17% influenced by the celebrity, 24 % influenced by the banner, and 7 % influenced by other factors.

Table 10.Factors which make you to buy toothpaste?

Usage	No of respondents	Percentage (%)
Discounts	134	67
Extra Quantity	36	18
Free Gift	22	11
Others	08	04

Table-10 shows the factors which make you to buy toothpaste. An examination of the table reveals that, most of the consumers (67%) buy toothpaste depending upon discounts, 18 % of the respondents buy due to extra quantity, 11% buy due to free gifts and 4% buy due to other reasons. Discount creates attention and stimulates the consumer to buy a particular brand.

Table 11. What makes you to switch to other brands?

Usage	No of respondents	Percentage (%)
Impact of Packaging	02	01
Price Rise of Current Brand	68	34
Schemes of Brands	94	47
Brand not available	36	18

Table-11 shows that by what consumer switch to other brands. An examination of the table reveals that, most of the consumers switch to other brands due to packaging, price rise, schemes of brands and brand not available. Majority of the consumers (47%) admitted that they switch to other brands due schemes of brands, 34. % of the consumers admitted that they switch to other brands due to price rise of current brand, 18% of the consumer switch to other brands due to non availability of brands and only 1% consumer switch to other brands due to impact of packaging.

## **CONCLUSION**

It can be concluded that majority of the respondents use toothpaste once in a day and their buying behaviour is also not very frequent. It has been seen that most of the people are aware of desensitizing Toothpastes rather than anti-decay and whitening toothpastes. Most of the consumers were found to use single brand. Price of the product and advertisement also plays an important role in buying the Toothpastes .It is also found in the study that consumers take self decisions in buying toothpastes. It has been found that most of the consumers preferred gifts, extra quantity, discount, price off while making decision for buying the Toothpastes. Also, it has been seen that various factors influence the switching behaviour of the consumers like price rise of current brand and schemes of brands.

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## PROSPECTS OF RESPONSIBLE TOURISM IN KERALA: EVIDENCE FROM KUMARAKAM IN KOTTAYAM DISTRICT

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## **ABSTRACT**

Responsible Tourism (RT) has got special significance in Kerala—the southernmost state in India with an enviable tourism infrastructure, often projected as 'God's own Country'. Taking the case of Kumarakam, one of the most prominent RT destinations in Kerala in the Kottayam district, this paper makes a case study of the RT initiatives of 'Samrudhy' group. Accordingly, the problems and prospects of RT are studied and suggestions are made for more effective functioning of their RT initiatives.

Key Terms: Responsible Tourism, Vision 2020, Sustainable Tourism

### 1. INTRODUCTION

Tourism is often mentioned in published literature as the world's largest industry. Travel related activities involve the use of various resources, natural and human, many of which cannot be renewed, recycled or replaced. As India has been showing the best way to strategize sustainable tourism is by way of encouraging pursuit of tourism in a responsible manner. It is about sensitizing tourists on the need for conserving and maintaining the natural wealth and cultural heritage of a nation. It is observed that through hospitality entrepreneur's rural resources, wild life and adventure, cultural, health, farm tourism. It should be possible to conserve natural resources as well as increase greater monetary benefits to the people at the local level. Responsible tourism (RT) is a concept which measures the effects of tourism on the well being of the host community, their art and culture, by products, hereditary values and knowledge, as well as on local environment. RT tourism envisages minimum negative effect on the culture of the indigenous society, and on the environment. Simultaneously tourism shall ensure environmental sustainability besides magnifying host culture.

World over, particularly among the developing nations, tourism is fast picking up as a tool for economic development and employment generation. In the case of Asia-Pacific region in general and India in particular may be taken as a classic example in this regard. Notwithstanding the appreciable performance of Indian tourism over the last few years, its relative performance vis-à-vis other nations of the world is not so encouraging. Analogously, though Kerala tourism has got an enviable potential for growth its relative position among the Indian states is small, in spite of appreciable growth over the last few years. Tourism is the biggest catalyst for change in Kerala and industry watchers are optimistic enough to say that Kerala had already 'emerged', as far as tourism is concerned, at the turn of the century. Kerala has managed to achieve much in responsible tourism in short time due to the strength of its local bodies that have taken up various responsibilities. Though it has made a lot of progress in the economic development of villages through responsible tourism (RT). The RT project helps the natives reap the benefits of the tourism industry by offering their products and services to visitors. It also provides opportunities for interaction with tourists giving the natives exposure to new ideas and cultures, and also gives them a platform for showcasing their talents.

### 2. RELEVANCE AND SIGNIFICANCE OF THE STUDY

The current scenario of tourism impacts suggests an investigation into the significance of responsible and sustainable tourism where the local bodies have additional benefits of serving the local community as well as retaining the theme of sustainable tourism. The influences and constraints of responsible tourism are numerous and complex. Thus, a solid methodology is required to be sufficiently structured to allow for comparability, while at the same time flexible enough to allow for the unexpected. A multi-phase, multi-method interactive research design will be used, based on comparable case studies of major responsible tourism destinations in Kerala. The state government, local bodies, tourism and hospitality industry as well as those civil society groups who can take initiatives to promote notions of responsible tourism by recognizing its adverse impacts. Thus, apart from the benefits accruing to the providers of such services, those of the local community at large is also involved, and that too without significantly harming the environment. The current research problem looks into the sustainability of responsible tourism initiatives and their contributions to the local community in prominent tourism destinations in Kerala.

## 3. REVIEW OF PREVIOUS STUDIES AND RESEARCH GAP

Williams, A. G., Chon, K S. & Sparrowe (1995) [16] in their book 'Welcome to Hospitality' have highlighted the significant role that tourism can play in sustainable economic development. Thus, when apparently planned and managed tourism can contribute to the preservation and protection of the environment. Too much tourism or poorly planned tourism however can result in pollution and damaging the natural environment.

Harsh Varma (2008) [14] has observed that despite the fact that climate change is already a reality, it is not too late to act and take appropriate action. Today's reduction in green house gas will determine the severity of the future global warming effects. Failure to act will have disastoruos consequences for the generations to come. Undoubtedly, the tourism industry has not been the most agile in responding to the changes brought about by its evolution.

Venu.V, (2008) [15] (Secretary, Kerala Tourism, Government of Kerala) has suggested that responsible tourism is not a choice and that there are high level of community expectations from responsible tourism. It is an issue we have to be practically dealt with. It is now beyond question that as an industry we have to reduce our footprint - for our sake, our communities, and for future generations.

Manoj P K (2009) [8] has made a detailed study of the relevance of sustainable and environment friendly tourism initiatives for faster economic development of India. International experiences, the economic benefits of tourism, its contribution to employment generation and GDP etc. have been discussed in detail. Suggestions for promotion of environment-friendly tourism in India have been made towards the end of the paper.

Manoj P K (2010) [9] has made a , "Tourism in Kerala: a Study of the Imperatives and Impediments with Focus on Eco Tourism", "Saaransh" RKG Journal of Management, Vol. 1, No.2, Jan. 2010, pp. 78-82.

It is noted that empirical studies in the Kerala context on responsible tourism (RT) are very scarce. Hence this study makes an empirical study of the problems and prospects of RT in Kerala through a closer analysis of the RT initiative of 'Samrudhi' group in Kumarakam.

## 4. OBJECTIVES OF THE STUDY

- (i) To make an overall study of the prospects responsible tourism (RT) as a tool for rapid economic development in Kerala;
- (ii) To make a detailed study of the RT initiative of 'Samrudhi' group in Kumarakam in Kerala; and the benefits, problems and future prospects of their RT initiative; and
- (iii) To make suggestions based on findings of the study for sustained development of RT.

## 5. METHODOLOGY OF THE STUDY

The study is descriptive analytical and is of the nature of a case study. Both secondary data and primary data are used. Secondary data are collected from authentic sources like the publications of the Tourism Departments of the State and Central Governments. Primary data are collected using a Questionnaire from the stakeholders of the 'Samrudhi' group.

## 6. PROSPECTS OF TOURISM IN KERALA AND THE CASE OF RESPONSIBLE TOURISM (RT)

The performance of tourism in Kerala state in the Indian union has been impressive, both in absolute and relative terms. It fact, there has been a generally increasing trend in respect of foreign tourist arrivals to Kerala over the years and also the share of Kerala in the tourism revenue for the total of the Indian union. Still there is scope for further improvement in view of the enviable tourism potential of Kerala – the God's own country visà-vis the rest of India.

It is noted that there has been an increasing trend in respect of both foreign tourists and domestic tourists to Kerala over the 14 years' period from 2000 to 2013. (Table I).

Table I: Trends in Domestic and Foreign Tourist Arrivals into Kerala (2000-2013)

Year	Domestic Tourists	Percentage Change	Foreign Tourists	Percentage Change
2000	5013221	2.6	209533	3.8
2001	5239692	4.5	208830	-0.5
2002	5568256	6.3	232564	11.3
2003	5871228	5.4	294621	26.7
2004	5972182	1.7	345546	17.3
2005	5946423	-4.3	346499	.27

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	T			
2006	6271724	5.47	428534	23.7
2007	6642941	5.92	515808	20.37
2008	7591250	14.28	598928	16.11
2009	7913537	4.25	557258	-6.96
2010	8595075	8.61	659265	18.31
2011	9381455	9.15	732985	11.18
2012	10076854	7.41	793696	8.28
2013	10857811	7.75	858143	8.12

(Source: Economic Survey 2013, Kerala State Planning Board, Govt. of Kerala).

It has been observed that there are a few areas wherein Kerala has got a comparative advantage over the rest of India as well as even other countries of the world. The unique socio-economic and geographic profile of Kerala has added significantly towards making it one of the sought after tourism destinations of the entire world. The lengthy coastal belt, peculiar geographical location, lusty backwaters, a large number of beaches, serene hillocks, moderate climate throughout the year, highly literate populace etc. are some of the factors. Health tourism (Ayurveda fame) and Medical tourism (cost effectiveness) have got excellent prospects in Kerala. Whether it is based on Ayurveda or modern medicine, Kerala has got an excellent brand either because of reputation or cost effectiveness. Kerala has drawn up a comprehensive policy document "Vision 2020" in the year 2000. This document gives due consideration to the sustainability aspects of tourism growth along with the economic and feasibility considerations. The new policy seeks to develop tourism as one of the core competencies of the State and also to regulate the tourism initiatives properly taking into account the broader and long-term interests of the State, like, environmental conservation, protection of heritage and culture, development of tourism infrastructure, quality standards etc. In short, it aims at using a sustainable and integrated approach to tourism promotion in Kerala. The Department of Tourism (DoT) of Kerala state has formulated a three-pronged strategy to maintain and further improve the superior position of Kerala in the global tourism map. Accordingly, 3 broad strategies viz. (i) Product Innovation, (ii) Innovative Marketing, and (iii) Strategic alliance with the Govt. of Rajastan. Besides, there are efforts in the direction of obtaining the benefits of Special Economic Zones (SEZs) for tourism, so that SEZs for tourism could be established meaningfully.

In respect of responsible tourism (RT) in particular, the prospects of Kerala are quite good given the potential of RT in providing gainful employment and means of livelihood for the local community without adversely affecting the environment. Thus, RT initiatives that are sustainable in the long run could be developed across a large number of tourism destinations in Kerala, mostly located in its lengthy and serene coastal areas, forest areas etc. the 'Samrudhi' group RT restaurant is located in Kumarakam in Kottayam district, a prominent tourism spot in Kerala characterized by extremely serene backwaters and lakes.

## 7. RESPONSIBLE TOURISM (RT) INITIATIVE OF THE 'SAMRUDHI' GROUP: A STUDY

The RT initiative of the 'Samrudhi' group is located in Kumarakam in Kottayam district of central Kerala. There are 15 active members in this typical RT service provider group. Further details regarding their socioeconomic status, earnings from the RT initiative, problems faced etc. are discussed in the following paragraphs.

Table II: Educational Qualification of 'Samrudhi' Members

The state of the s								
Educational level	Numbers of respondents	Percentage						
SSLC	8	53.3						
Plus Two / Pre-Degree	6	40						
Graduation	1	6.7						
Total	15	100						

(Source: Field Survey)

Table III: Age of 'Samrudhi' Members

1 4010 1111 1150 01 24111 44111 1111110 012								
Age	Number	Percentage						
Below 35	2	13.3						
36-40	9	60						
41-45	4	26.7						
Above 45	15	100						

(Source: Field Survey)

From Table III it is noted that majority (60 percent) of the RT members are in the age group 36 to 40 years. This age group is active in earning livelihood for their families.

Table IV: Type of house of respondents

Nature of house	Number of respondents	Percentage		
Concrete	11	73.3		
Tiled	4	26.7		
Total	10	100		

(Source: Field Survey)

Table IV shows the type of houses of the members. Four members are having tiled houses while 11 members have concrete houses. Of the 11 members with concrete houses, 6 have procured or constructed their houses after joining 'Samurdhi' ethnic restaurant. This shows that their financial status in on the rise.

Table V: Monthly Income of each member

Year	Average Monthly Income for the year (Amount in Rupees)
2011-12	4500
2012-13	5000
2013-14	6000

(Source: Field Survey)

Table V shows an increasing trend in the annual income of the 'Samrudhi' members as a result of the growing earnings from their customers – the tourists.

Table VI: Saving amount of 'Samurdhi' Members

Amount per month	Number of members
200	4
300	7
400	3
500	1

(Source: Field Survey)

Responsible tourism has resulted in increased arrival of tourists and this in turn has increased the tourism revenue for the 'Samrudhi' ethnic restaurant. Table VI shows that the members are having saving habit and they had increased their saving habit after joining the 'Samrudhi' group.

## 'SAMRUDHI' ETHNIC RESTAURANT: INVESTMENT, SERVICES PROVIDED AND PROBLEMS

The restaurant was opened in an aim to serve traditional food to tourist of Kumarakam in Kottayam district. Initial investment of two lakhs rupees was taken as loan from kudumbasree at an interest rate of 12.5 percent. In which one lakh rupees were given subsidy. The building that used is for rent at an nominal rate of 3600per month. The group consist of ten members in which they are working in a shift basis .Five members will take a shift which time starts from 06:30 am to 03:30 pm and another from 03:30 pm to 06 pm. This group is also getting order from tourist agents.

## Problems of 'Samrudhi' Ethnic Restaurant

- Water scarcity
- Fridge facility must to be provided
- Insufficiency of funds

## 'SAMRUDHI' KIOSKS: INVESTMENT, SERVICES PROVIDED AND PROBLEMS

The kiosks are provided by Kerala Tourism Department .1.25 lakhs were given to Kudumbasree to start kiosks. The group consists of 5 members. These kiosks provide vegetables and fruits to resorts in 15 days credit. From this business they getting an income and this is a regular business. They provide coconut juice and snacks to tourists.

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## Problems of 'Samrudhi' Kiosks

- > No electricity connection.(If it is provided they can provide cool drinks and juice).
- Tourism department must link more resorts for their products.
- ➤ Insufficiency of funds

## 10. MAJOR FINDINGS OF THE STUDY

- Scio–economic conditions of samudhri group members have increased.
- Education is not an obstacle in starting a business in this tourism sector.
- Majority of Domestic tourists only prefer these type of traditional food
- Majority of foreign tourist arrives here pre booking facility or in package tourism which may benefits only to resort owners.

### 11. SUGGESTIONS AND CONCLUDING REMARKS

The suggestions for sustained development of the sector are as follows:

- Tourism department must encourage more these type of locals run hotels, shops and others facilities to tourists.
- These types of groups must to be added to other tourist destinations to increase employment opportunities to local folks.
- > The Government should promote RT initiatives through provision of utilities like electricity, telecommunication and internet services at reduced rates.

It is noted that there is ample potential of responsible tourism (RT) in Kerala if it is properly encouraged and the requisite infrastructure and other services are facilitated by the Government. The initiatives of the Government in the direction of promotion of RT should be further developed and higher outlays needs to be earmarked to RT sector.

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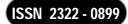
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# ANALYSIS OF PROBLEMS ASSOCIATED WITH LABOUR FORCE IN READYMADE GARMENT INDUSTRY – A STUDY WITH SPECIAL REFERENCE TO BENGALURU CITY BASED GARMENT UNITS

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### **ABSTRACT**

The present study is related to the study of problems associated with Readymade Garment Industry in relation to Labour force in Bengaluru city based garment units. For this, primary data has been collected through interview and information schedules and the same has been processed and presented in tabular form by using suitable statistical methods. Firstly, the problem relating to the labour force has been analysed and interpreted. Further, the reasons for such problem are also considered to bring a complete sense to the said problem. In addition to this, the secondary data has been collected through VITC, AEPC study reports, articles, various websites, etc. Conclusion is drawn from the analysis and interpretation of the information and suitable suggestion is also given to overcome the problems.

## Key Words:

- 1. Lean Manufacturing
- 2. Unscheduled Absenteeism
- 3. Apparel
- 4. Garment Manufacture
- 5. Labour Intensive Industry
- 6. Labour Turnover

## INTRODUCTION

Garment manufacture has been emerged as a thriving business in India since 1970. This is mainly because of a shift from tailor-made to ready-made use of garments. At the beginning of 1970, there were about 1200 garment making units in India. But now, the total number of garment manufacturing units in 19 clusters of India are around 33,371. This figure excludes the entities with 10 and below sewing machines. Of these, 7% of the units are with more than 100 sewing machines, 15% of the units are of medium category with machines between 40 and 100 and the balance 78% are small units with less than 40 machines. Today RMG (Readymade Garments) exports is contributing 4.48% to the India's GDP and the said industry is generating 17,21,700 direct employment and 33,41,700 indirect employment opportunities in the country.

## THE STATUS OF BENGALURU CITY

The Bengaluru city is known as one of the major cities of the India which is also known as silicon city of India. This city is known for many reasons like, education, culture, medicines and gems & jewellary. In addition to this, during last few years we can observe a significant growth in the field of software industry and information technology. In the wake of this, there is a lot of migration from different parts of the Karnataka, India and abroad too for many reasons. This has influenced a lot on production, productivity, socio-economic and social change in a very distinct order. RMG industry is one sector which has influenced the city's social and socio-economic scenario in a significant way. This may be because of the magnitude of the industry.

The RMG industry approximately has a four decade history in Bengaluru for its settlement and growth. During this period, the industry has seen many ups and downs for different reasons such as technical, raw-material, economic problems, labour irregularities, problems relating to non-meeting of the standards which has resulted in rejections. These are some of the areas where the study is required for better understanding of the industry.

Though the Bengaluru city has set with all these problems, it has emerged as one of the leading manufacturers of RMG along with other major clusters of India like Tirupur, Kolkata, Ludhiana and NCR region. The important products of the Bengaluru cluster are Ladies' wear, which includes Skirts, Blouses, Tops, Jackets, trousers, etc., Mens' wear, which includes Shirts, T-shirts, Trousers, Jeans, Shirts etc. and Kids' wear, which includes Shorts, Pants, Frocks, Shirts, skirts etc.

In respect of exports the main markets are EU, USA, UAE, UK, Germany, etc. The products are also being exported marginally to Canada, South Africa, Hong Kong, Australia and Singapore. During the year 2013 India

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has exported 15,702.70US\$ millions in which European Union has imported to the extent of 6,535.40US\$ million. (www.aepcindia.com).

When it matters to performance of Karnataka, the total exports of RMG industry is 8,900 crores (office records of VITC, Bengaluru) during 2013-14. This shows the significant contribution in the field of exports. In addition to this, the readymade garment industry in Bengaluru is providing very good employment opportunities. As per AEPC study report, the said industry is providing 150000 direct employment and 300000 indirect employment opportunities in the city. This is a significant contribution to the society.

## **OBJECTIVES OF THE STUDY**

The main objectives of the study are

- > To Study the problems associated with the labour force in the RMG entities, and
- > To know the reasons for More labour turnover and absenteeism of the labour
- > To suggest reasonable recommendations for labour turnover and unscheduled absenteeism.

## STATEMENT OF THE PROBLEM

Labour is the key factor for every manufacturing activity. Specially for the Garment industry, which is labour intensive in nature, the study of the problems related to labour, which are being faced by the garment unit operators is of utmost important. Keeping this in view, the present study is undertaken to understand the problems associated with labour force and the causes for such problems. These problems are in the nature of more labour turnover and absenteeism which are the prime factors for un-productivity of labour.

### METHODOLOGY AND FIELD OF STUDY

The present work is based on both primary and secondary data. The primary data has been collected with the help of interview and information schedules and transformed into quantitative form and used suitable statistical tools to analyse and interpret the data so collected. Out of 270 units operating in export business in Bengaluru, 108 units have been choosen as sample size and purposive sampling method is used to collect the information. The secondary data has been collected from AEPC cluster study report, VITC office records, various web sites, etc.

## REVIEW OF LITERATURE

- 1) Dr. Y. Narayana Chetty, conducted a study of the sample survey of Garment workers in Bengaluru city. Under this study, he focused on the aspect like rise in unorganized labour, social security and related legislations, caste composition of the labour force, marital status, etc. The study also highlights the absenteeism and labour turnover of the work force. He suggested the extension of fringe benefits like provision of paid leave, medical benefits and to strengthen the government departments relevant to labour.
- 2) Naiyya Saggi, (CCS working paper no. 150), Conducted a study on "The Garment Industry in Bengaluru A critical analysis of adherence to labour standards and solutions". The focus of the study was to see the effect of the all encompassing phenomenons of globalization and supply chain mechanism on workers and on women in particular and to examine whether the advent of globalization has been benefited or detrimental to the rights of workers and the effectiveness of domestic legislature framework in safeguarding the women rights.
- 3) Shramana Ganguly Mehta referred that the Indian garment exporting industry came to the limelight in 2007 when child labour was first detected on GAP's contracts in New Delhi. One year later, shutterbugs captured the child labour at Tirupur, the knit wear apparel cluster in south India, working on UK retailer Prinkmark's orders. As a result, Indian status of exporter was reduced to the level of Argentina and Thailand countries which are lower in the ranks. Apparel Export Promotion Council (AEPC) stated that the information relied upon by the US Department of Labour was outdated and inaccurate and the Indian garment industry should not be included in TVPRA List and EOL.
- 4) Anand Kumar, in his study identified that the biggest problem in Bengaluru Garment Industry is that the workers lack organized unions to enforce their basic rights as human beings. Most of the managements are not adhering to the provisions in minimum wages, employment state insurance scheme and Factories Act. Employees are denied their gratuity and pensionary benefits as the managements are terminating their services at the end of the fifth year and asking them to rejoin in service after a short break. Workers are forced to work for more than 9 to 10 hours in a day, denying over time wage besides regular harassment of women workers by male supervisors.

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- 5) AEPC Study 2009, identifies that there are two clusters in Karnataka State, ie Bengaluru and Bellary. Bengaluru is one of the largest apparel clusters in the country with annual turnover of Rs. 5000 crores. It has a strong penetration of finance with bank loans for machinery and working capital requirements. The study identified the Bengaluru clusters' strengths as existence of strong domestic demand with presence in retail business, highly orgnised cluster with large volume of business, recognised as fashion centre in the country, strong entrepreneurial base, relatively cheaper centre in comparison to NCR and availability of power with organised and disciplined labour force. Bellary cluster has its history of 50 years in garmenting business with cheap, hardworking and skilled manpower. It accepts small orders with high flexibility and extending credit facilities to retailers.
- 6) Bageshree S. committed that apparel industry was affected very badly due to Bengaluru's recession-hit and showed a good sign of recovery during the second half of 2010 and 2011. The important reason for recovery was diversion of orders from China. The industry experienced a fall of 8 per cent exports from April to October 2010. Inspite of orders and increase in turnover, factors like increase in cotton yarn and fibre price by 15 per cent, currency volatility, increase in labour costs and rupee appreciation continue to pose problems. The international buyers are prepared to pay more to compensate for spiraling production costs because China has also increased its prices.
- 7) Sajanraj Mehta- reported that garment retailers participated in one day bandh in Bengaluru city, against the imposition of 10 per cent excise duty on readymade branded garments by the Central Government. Major commercial centres like MG Road, Brigade Road, Jayanagar, Commercial Street and Malleswaram were deserted look on 8<sup>th</sup> of March 2011. All the retailers unanimously expressed that industry may not be able to bear additional levy any more, as it is going to affect the interest of ultimate consumers.

## ANALYSIS AND INTERPRETATION

The Key factors relating to the appraisal of labour unproductivity in garments industry are grouped into 5 Para meters, viz., absenteeism, more labour turnover, inefficiency, high cost and more access to labour unions. The statistical data collected in the survey of 108 entities is classified, tabulated and presented in the following table.

The garment manufacturing units in Bangalore city are not free from the labor problems. In this regard, researcher has identified several problems associated with labour force. These problems are in the nature of more labour turnover, unscheduled absenteeism, inefficiency, high cost and access to labour unions. The following table shows the details of these issues. Based on the intensity of the problems, respondents are asked to assign the ranks for all these problems.

a) **Labor turnover:** The above analytical table reveals that labour turnover as the major problem associated with the labour force. 42 respondents (38.89 per cent) expressed this as the prime cause, 27 respondents (36.99 per cent) assigned the second rank and 16 respondents (40.00 percent) marked it as a third rank with respect to labour force.

Statement showing the problems associated with labour force

atement	t snowing the problems associated with labour force											
Rank	More Labout Turnover		Unsc	Inscheduled Inefficie		fficiency	HighCost		And of the state o		Total	
	Units (Percentage)											
		A	11 (10.18)		2 (1.85)		3 (2.77)		2 (1.85)	3 (2.77)	0	108 (100)
		В	21 (19.44)		14 (12.96)	15 (13.89)	7 (6.48)	13 (12.04)	7 (6.48)		1 (0.92)	
I	42 (38.89)	С	10 (9.26	35 (32.41)	19 (17.59)		5 (4.63)		4 (3.71)		2 (1.85)	
	42 (	X	9 (8.33)	35 (	3 (2.77)	15 (	3 (2.78)		3 (2.78)		0	
		Y	18 (16.67)		20 (18.52)		5 (4.63)		4 (3.70)		1 (0.92)	
		Z	15 (13.89)		12 (11.11)		7 (6.48)		6 (5.55)		2 (1.85)	
	27 (36.99)	A	4 (5.48)	23 (31.50)	3 (4.11)	11 (15.06)	3 (4.11)	10 (13.69)	4 (5.47)	2 (2.74)	0	73 (100)
		В	11 (15.07)		9 (12.33)		5 (6.84)		3 (4.11)		1 (1.37)	
П		С	12 (16.44)		11 (15.06)		3 (4.11)		3 (4.11)		1 (1.37)	
"		X	3 (4.11)		2 (.274)		4 (5.48)		3 (4.11)		0	
		Y	9 (12.33)		11 (15.06)		5 (6.84)		4 (5.48)		1 (1.37)	
		Z	15 (20.55)		10 (13.69)		2 (2.74)		3 (4.11)		1 (1.37)	
		A	7 (17.50)	9 (22.50)	1 (2.50)		3 (7.50)	5 (12.50)	2 (5.00)	2 (5.00)	0	40 (100)
		В	3 (7.50)		3 (7.50)		2 (5.00)		1 (2.50)		1 (2.50)	
,,,,	16 (40.00)	С	6 (15.00)		5 (12.50)	8 (20.00)	3 (7.50)		2 (5.00)		1 (2.50)	
III		X	6 (15.00)	6 (22	1 (2.50)	8 (20	2 (5.00)		1 (2.50)		0	
		Y	4 (10.00)		2 (5.00)		3 (7.50)		2 (5.00)		1 (2.50	
		Z	6 (15.00)		6 (15.00)		3 (7.50)		2 (5.00)		1 (2.50)	

Source: Field Investigation.

The further classification (on the basis of vintage and number of machines) for the same cause shows that, in case of first rank, type B category of units are affected more, i.e., 21 units, (19.44 per cent) when compared to the type A and type C units. In the case of second rank, type Z units are being affected more, i.e., to the extent of 20.55 percent. In case of third rank, the influence is almost moderate in case of all the units.

b) **Absenteeism:**In addition to the labour turnover, the RMG industry is also experiencing the problem of unscheduled absenteeism by the workers. This problem is more severe when compared to the labour turnover. Because, in this case, it is very difficult for the RMG units to achieve the production target set for the day. At the most, the managements can deduct the wages of workers proportionately and warn them. Since the workers are on demand side, it is very difficult for the unit holders to cope up with such situation.

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Out of the sample, 35 respondents (32.41 per cent) marked absenteeism as the prime reason, 23 respondents (31.50 per cent) assigned second rank and 9 respondents (22.50 per cent) gave the third rank for said cause. Further classification on the basis of vintage and number of machines, it can be seen from the table that type C and type Y category units are being affected more, i.e., 17.59 percent and 18.52 percent respectively. In case of third rank, the effect is almost even for all the categories of units.

c) **Inefficiency:** Normally the workers are being appointed based on referrals by friends and relatives, display boards, etc., at the entry level. But for a worker, to get adjusted with the normal skills required in this industry, it takes three years. (Discussion with unit holder reveals) Till then the unit holders and co-workers have to adjust with such workers. Certain units are providing training facilities before or after the placement. Even then, the level of inefficiency of workers is persisting. This may be because of lack of interest in the work and many workers join this job just for a temporary period.

The analysis of the table shows that 15 respondents (13.89 percent) said this as the major problem, 11 respondents (15.06 percent) expressed this inefficiency as a secondary problem and 8 units (20.00 per cent) called it as a tertiary problem for the garment units. Further classification on the basis of vintage and number of machines reveal that the impact of such inefficiency is affecting moderately for all category of units.

- d) **High cost:** In manufacturing of garments, labor cost normally constitutes around 14 percent. A few unit holders are of the opinion that such labour cost is proving more for them. In this regard it is noteworthy to understand that (discussion with unit holders) they are not getting good price for their garments in international market. This is because of the fact that country like China is offering the garments at very competitive price. Therefore, Indian RMG industry is finding it very difficult in this regard to maintain the cost of production at low level. The study reveals that just a few respondents opined that the labour cost is more in the Bangalore city.
- e) **More access to labor unions:** These days, we are finding the labour unions in almost all types of industries. RMG industry is not an exception to this. The purpose of such unions is to see the welfare of the workers and prevention of their exploitation. In the study, it can be noticed that a small segment of respondents have mentioned that the labour class association with such unions. Just 7 respondents (10.51 percent) assigned different ranks regarding this. But it can be said that the overall interference of labour unions in RMG industry is quite negligible.

### **CONCLUSION**

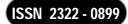
It can be concluded from the above discussion that among the causes of the problems of the Readymade Garment Industry relating to the labour force, more labour turnover (38.89% of the respondents), unscheduled absenteeism (32.41% of the respondents) and inefficiency (13.89% of the respondents) are the major problems. These problems are causing a serious handicap for the industrialists to meet the time schedule of delivery and maintaining the quality standards. The discussion with the management of RMG units reveals that the major reason for such labour turnover and absenteeism is getting other jobs by the workers,. This may be because of low wages at the existing unit where they are working and for the better prospects also they might change their jobs. In addition to this, in Bengaluru city, opening up of malls and booming retailing and construction industries are attracting more labour with little higher wages when compare to RMG industry. This is making labour class to move further by leaving their present job. The marriage of the workers, specially women, family problems inconvenience in terms of distance and desire of the workers to go for higher education are also causing more labour turnover and absenteeism.

## **SUGGESTIONS**

## > Introduction of flexible Labour laws

At Present the minimum wages Act is in vogue for the wage fixation. Here, the minimum wage is assured for the workers irrespective of their active engagement in the production i.e. the number of units produced will not be taken into account for giving the wages (time-rate system). If the OT is given, then the workers will produce above the normal. Therefore, to avoid this, it is suggested to introduce the piece rate system of wage payment, i.e. performance based wages. This linking of wage to performance may help to understand the workers that they should not be negligent during the production process and may result in improved productivity. This may be the possible solution because the output of the RMG industry is measurable in terms of units produced.

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## > Automation of the production processes

In the RMG industry, the labour cost is proving not only costlier but also the number of problems associated with labour force or more. In addition to these dependency on the workers is inevitable for the manufacturers. To avoid these over dependency on the workers, the integration of production processes by using modern technology is suggested, which is rarely being practiced in Bangalore units. This will reduce the number of workers required at a point of time and also the cost, in terms of wages, associated with such labour force.

## > Linking of the industry and institutions

RMG industry is experiencing the dearth of skilled labour at different levels of production. Presently, for these ATDC, BBMP and others are giving training to the needy in a small way. Even then the industry is facing the shortage of skilled personnel at different levels of manufacturing processes. Therefore, it is suggested the linking of the industry to the institutions to inculcate the required skill and education, may be in the form of a few weeks' training, certificate courses, etc. Since the employment of workers is huge in number, the curriculum for the workers may be framed and in this regard.

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## A COMPARISON OF THE LEVEL OF HOPE BETWEEN ADIVASI AND NON-ADIVASI STUDENTS OF SECONDARY SCHOOL AND ITS RELATION WITH ACADEMIC ACHIEVEMENT

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## **ABSTRACT**

Hope is the ability to plan pathways to desired goal despite obstacles and agency or motivation to use these pathways. The present paper is an attempt to focus on the level of hope of the secondary school students of Marani Block under Golaghat district of Assam. Hope has very significant implication on the subjective well-being and academic achievement. Despite such significance, positive trait like hope has been getting less importance in scientific psychological study. So, present paper is an effort to bridge such gaps in Indian context. This is an attempt to study relationship between hope and academic achievement. The study shows that there is no gender and territory difference among the students of Secondary schools as far as their hope is concerned. The study also shows significant relationship between hope and academic achievement.

## INTRODUCTION

Hope is the idea and energy for the future. It has two main components (Snyder, 2000): the ability to plan pathways to desired goal despite obstacles and agency or motivation to use these pathways. According to this conceptualization, hope is strongest when it entails valued goals that there is an intermediate probability of attaining due to challenging but not insurmountable obstacles. When we are certain of achieving goals, hope is unnecessary and when we are certain that we will not, we become hopeless.

Hope theory can be subdivided into four categories: goals, pathway thoughts, agency thoughts and barriers. *Goals* that are valuable and uncertain are the anchors of hope theory as they provide direction and an endpoint for hopeful thinking (Snyder, 2000). Goals should be attainable yet challenging in nature. Goals that are hundred percent likely to be achieved do not give people hope. *Pathway thoughts* refer to the routes we take to achieve our desired goals and the individual's perceived ability to produce these routes (Snyder, 2000). This type of thought process begins in infancy when cause and effect relationship are first being established. Children see that certain actions influence events that occur. Singular or multiple pathways need to be generated. In fact, alternative pathways should be generated when obstacles are faced. Those with the highest levels of hope tend to generate multiple pathways to goal achievement. *Agency thoughts* refer to the motivation we have to undertake the routes towards our goals. This type of thought begins after one year of age when children realize they are actors who can influence their environment Barriers block the attainment of our goals and in the event of a barrier we can either give up or we can use our pathway thoughts to create new routes (Snyder, 2000).

## HOPE AND ACADEMIC SUCCESS

Research revealed that hope has no significant correlation with native intelligence (Snyder, McDermott, Cook & Rapoff, 2002) or income (Lopez & Calderon, 2011). Rather it has a consistent link with attendance and credits earned (Gallup, 2009). High hope has been found to correlate with a number of beneficial constructs including, academic achievement (Snyder et al, 2002) and lower levels of depression (Snyder et al, 1997) whereas low hope is associated with negative outcomes including a reduction in well-being (Diener, 1984). Hopeful college students (Lopez & Calderon, 2011), High school students (Snyder et al., 1991) have a higher overall GPA and middle school students have better grades in core subjects (Marques, Pais-Riberio & Lopez, 2009) and scores on achievement testes (Snyder et al., 1997). Hopeful students see the future as better than the present and believe they the power to make it so ((Lopez & Calderon, 2011). These students are more energetic and enthusiastic in work. They can develop many strategies to reach goal and plan contingencies in the event that they are faced with problems along the way (Lopez & Calderon, 2011). Whereas, the students having low hope lack the energy to get things done. When they encounter barriers to achieve goal they give up the goal. This often results in frustration, loss of confidence, and lowered self esteem (Snyder, 1994). Students with low hope experience high anxiety, especially in test-taking situations. They do not use feedback from failure experiences in an adaptive manner so as to improve future performances (Onwuegbuzie, 1998).

## STATEMENT OF THE PROBLEM

The problem under study is formally entitled as "A comparison of the Level of Hope of the Adivasi and Non-Adivasi students of Secondary Schools of Marangi Block under Golaghat District of Assam and its relation with Academic Achievement."

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### SIGNIFICANCE OF THE STUDY

Hope is one of the most potent predictors of the success of life. To be more particular it is one of the most potent determinants of student's academic success. Intelligence and aptitude are not the only determinants of a student's academic success (Dweck, 1999), future success in job market and social adjustability. This is important to understand the many factors that keep students on track and in pursuit of their educational and vocational goal. Hope pushes a person to climb up the ladder of success. In the absence of hope he becomes pessimistic about what the future holds for him and he remains at the bottom of the ladder of achievement. He even stops fixing a goal. Lack of study on the positive aspects of life like hope, gratitude, resilience, savour, self efficacy, happiness, etc. keeps the society unaware of their positive impact. In this context the present study will through some light on hope as one of the positive aspects of life and it's credit in success.

There is also lack of study on the Adivasi students. This keep our knowledge about them is very shallow. The present study will reveal their status when we will make a comparative study between the Adivasi and Non-Adivasi students. This knowledge will be useful to understand them and to treat them differently for better achievement if necessary. It is found that the academic achievement of the Adivasi students of Assam is poor in comparison to the achievement of Non-Adivasi students (results of the Board of Secondary Education Assam, 2009, 2010, 2011, 2012, 2013 and 2014). So what could be the reason of this poor achievement? So far no systematic study has been conducted in this regard. Present study is an humble effort to study the level of hope of the Adivasi students and also to compare the level of hope with the Non-Adivasi students. This study will give an understanding of the status of the Adivasi students of Assam in comparison to Non-Adivasi students.

### **OBJECTIVES**

The objectives of the study were-

- 1. To compare the level of hope between Adivasi and Non-Adivasi students of the secondary schools of Marangi block under Golaghat district.
- 2. To compare the level of hope of Adivasi students of the secondary schools of Marangi Block under Golaghat District with reference to
  - (i) Gender (Male& Female)
  - (ii) Territory (Village and Tea-garden),
- 3. To compare the level of Academic Achievement between Adivasi and Non-Adivasi students of the secondary schools of Marangi Block under Golaghat District
- 4. To find out the relationship between the level of hope and academic achievement of the students of the secondary schools of Marangi Block under Golaghat District.

## **HYPOTHESES**

- **H**<sub>1</sub> There is no significant difference between Adivasi and Non-Adivasi students of Secondary Schools of the Marangi Block under Golaghat District as far as their level of hope is concerned
- H2 There is no significant difference between male and female Adivasi students of Secondary Schools of the Marangi Block under Golaghat District as far as their level of hope is concerned.
- H3 There is no significant difference between village and tea-garden Adivasi students of Secondary Schools of the Marangi Block under Golaghat District as far as their level of hope is concerned.
- H4 There is no significant difference between Adivasi and Non-Adivasi students of Secondary Schools of the Marangi Block under Golaghat District as far as their academic achievement is concerned.
- **H**<sub>5</sub>- There is no significant relationship between hope and academic achievement of the students of Secondary Schools of the Marangi Block under Golaghat District.

### **DEFINITION OF THE KEY TERMS**

- 1. **Hope:** The ability to plan pathways to desired goals despite obstacles, and agency or motivation to use these pathways. Scores will be calculated on the basis of these dimensions. More the score in the scale means more the level of hope.
- 2. **Secondary school:** In the present study, secondary school means class IX and X which follow the curriculum offered by SEBA and CBSE.

- 3. **Urban area:** All areas which are identified as the urban at the time of the census 2011 or subsequently notified to be so are to be treated as urban.
- 4. **Rural area:** Areas that are identified as the rural at the time of the census 2011 or subsequently notified to be so are to be treated as rural area.
- 5. Tea Garden area: Area under the direct control of the tea garden management.
- 6. **Pathways:** Pathways reflect the perceived capability to produce goal routes.
- 7. **Agency:** Agency reflects the perception that one can initiate action along the pathways.
- 8. **Adivasi students:** term is used for the students whose ancestors lived Chhotanagpur region of Northern India but later brought to Assam by the British as tea garden labourers. They are commonly known as TGL(Tea-garden labourer) and EX-TGL(Ex Tea-garden labourer) in Assam.
- 9. **Non-Adivasi students:** Non-Adivasi students are those students who do not belong to the TGL and Ex-TGL category.

### **DELIMITATION OF THE STUDY**

- 1. The study will be confined to only Marangi Block under Golaghat District of Assam.
- 2. The study will be delimited to the students of Secondary schools of Marangi Block under Golaghat District of Assam.

## Method

In the present study, the Normative Survey Method was adopted for collecting data.

## **Population**

The population of the present study comprises of all the students of class IX and X of the Secondary Schools of Marangi Block under Golaghat District of Assam.

### Sample

For the study the investigators selected 10 secondary schools using Quota sampling technique. Then a sample of 360 students was selected randomly from the selected schools. Table 1 shows the design of the sample.

**Table 1: Design of the Sample** 

Strata		No. of students	No. of students	Total
Adivasi	Village (90)	Male (45)	180	360
		Female (45)		
	Tea Garden (90)	Male (45)		
		Female (45)		
Non- Adivasi		Male (90)	180	
		Female (90)		

### The Tool used

The investigators used Time Horizon Questinnaire developed by J. S. Gerald (In Car, 2004). This scale consists of 40 items of which 31 are positive and 9 negative items. This is a five point scale. The investigators used the scale after adaptation. Reliability of the adapted version was estimated through split half method. The reliability of the adapted version of the scale was 0 .76.Regarding academic achievement, the investigators collected the result of the annual examination of the students from the official record.

## **Data Collection**

In order to collect data the investigators personally visited selected 10 schools of the Marangi Block under Golaghat Districtof Assam. Proper seating arrangement was made for the students after establishing rapport. The Investigators then distributed the scale to students studying at IX and X classes and the students were requested to read the instructions carefully. Necessary oral instructions were given for their convenience. After

the completion of the task investigators collected the response sheets from the responders. The investigators collected the result of the annual examination from the official record.

#### Statistical Technique

• Critical ratio and coefficient of correlation

#### ANALYSIS AND INTERPRETATION

#### Hypothesis No. 1

"There is no significant difference between Adivasi and Non-Adivasi students of Secondary Schools of the Marangi Block under Golaghat District as far as their level of hope is concerned."

Table-2: Significance of difference in the level of hope between Adivasi and Non- Adivasi students of Secondary Schools.

	N	Mean	SD	Df	C.R.	Inference
Adivasi	180	135.30	10.56	358	0.14	Not significant at 0.05 level
Non-Adivasi	180	137.35	11.54	330	0.14	at 0.03 level

Table-2 shows that the C.R. value is 0.14 which is less than table value and therefore not significant at 0.05 level of significance. Thus the null hypothesis is accepted and it is concluded that there is no significant difference between Adivasi and Non-Adivasi students as far as their level of hope is concerned.

#### Hypothesis No. 2

"There is no significant difference between male and female Adivasi students of Secondary Schools of the Marangi Block under Golaghat District as far as their level of hope is concerned."

Table-3: Significance of difference in the level of hope between Male and Female Adivasi students of Secondary Schools.

Sex	N	Mean	SD	Df	C.R.	Inference
Male	90	132.63	10.39	178	0.10	Not significant at 0.05 level
Female	90	136.40	9.47	1/8	0.19	at 0.03 level

Table-3 shows that the C.R. value is 0.19 which is less than table value and therefore not significant at 0.05 level of significance. Thus the null hypothesis is accepted and it is concluded that there is no significant difference between male and female Adivasi students as far as their level of hope is concerned.

#### Hypothesis No. 3

"There is no significant difference between village and tea-garden Adivasi students of Secondary Schools of the Marangi Block under Golaghat District as far as their level of hope is concerned"

Table 4: Significance of difference in the level of hope between village and tea-garden secondary school students.

Area	N	Mean	SD	Df	C.R.	Inference
Village	90	136.22	10.52	178	1.57	Not significant at 0.05 level
Tea-Garden	90	133.75	10.56	170	1.57	at 0.05 level

Table-4 shows that the CR value is 1.57; which is less than table value and therefore, not significant at 0.05 level of significance. Thus, null hypothesis is accepted and it is concluded that there is no significant difference between the adivasi secondary students residing in village and in tea-garden as far as their level of hope is concerned.

#### Hypothesis No. 4

"There is no significant difference between Adivasi and Non-Adivasi students of Secondary Schools of the Marangi Block under Golaghat District as far as their academic achievement is concerned."

Table-5: Significance of difference in the level of academic achievement between Adivasi and Non-Adivasi students of Secondary Schools.

	N	Mean	SD	Df	C.R.	Inference
Adivasi	180	204.20	54.07	358	0.05	Not significant at
Non-Adivasi	180	204.53	66.95	336	0.05	0.05 level

Table-5 shows that the C.R. value is 0.05 which is less than table value therefore, not significant at 0.05 level of significance. Thus the null hypothesis is accepted and it is concluded that there is no significant difference between Adivasi and Non-Adivasi students as far as their academic achievement is concerned.

#### Hypothesis No. 5

"There is no significant relationship between hope and academic achievement of the Adivasi students of Secondary Schools of the Marangi Block under Golaghat District."

Table-6: Significance of relationship between Hope and academic achievement of students of secondary schools

Category	N	Df	Coefficient of correlation	Inference
Adivasi	180	358	0.21	significant at 0.01 level
Non-Adivasi	180	336	0.21	

Table-6 shows that the coefficient of correlation between hope and academic achievement is 0.21; which is more than table value and therefore, significant at 0.01 level of significance. Thus, null hypothesis is rejected and it is concluded that there is significant relationship between hope and academic achievement of the students of secondary school.

#### **MAJOR FINDINGS**

- 1. There is no significant difference between Adivasi and Non-Adivasi students as far as their level of hope is concerned.
- 2. There is no significant difference between male and female Adivasi students as far as their level of hope is concerned.
- 3. There is no significant difference between the adivasi secondary students residing in village and in tea-garden as far as their level of hope is concerned.
- 4. There is no significant difference between Adivasi and Non-Adivasi students as far as their academic achievement is concerned.
- 5. There is significant relationship between hope and academic achievement of the students of secondary school.

#### CONCLUSION

From the findings it can be concluded that the positive emotions and traits are alike regardless of various settings. From the study it is evident that Adivasi students are equally hopeful with the Non-Adivsi secondary school students. No significant difference was found between male and female Adivasi students in their level of hope. It was also found that there is no significant difference in level of hope between the Adivasi students residing villages and tea-garden areas. Most importantly there is significant relationship between hope and academic achievement.

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# CONTEMPORARY LEGAL EDUCATION IN INDIA: AN INTEGRATED APPROACH TO MEET GLOBAL STANDARDS

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#### **ABSTRACT**

'Law is the cement of society and an essential medium of change'. Knowledge of law increases ones capacity to understand public affairs. Its study promotes accuracy of the expression, facility in arguments and skill in interpreting the written words, as well as some understanding of social values. It is important for everyone to know the law, because ignorance of law is no excuse. We must have such a legal education which besides fulfilling the needs of the society, and the country, must also meet the global standards. Throughout the last century a promise is generated for improvement and development, not only in the field of science and technology but also in every field ranging from communication to information technology. The century also brought many improvements in the economic, social, ecological and political arrangements all over the world. New horizons are opened in the field of trade, commerce, science technology and law. Globalization has set a new dynamism of entire polity and the society. In this paper an overall examination of the evolution of legal education in India is emphasized. It also discusses the new trend of legal education, introduced / offered by various institutions of India and their quality, whether, sufficient to meet the challenges from international standards.

#### LEGAL EDUCATION AND ITS SIGNIFICANCE

'Law is the cement of society and an essential medium of change'. Knowledge of law increases ones capacity to understand public affairs. Its study promotes accuracy of the expression, facility in arguments and skill in interpreting the written words, as well as some understanding of social values. It is important for everyone to know the law, because ignorance of law is no excuse. We must have such a legal education which besides fulfilling the need of the society and the country must also meet the global standards. Law serves as an important instrument to achieve socio-economic development. Today law is not viewed merely as an instrument of social control but also an instrument of social change. Therefore the aim of legal education should not confine to the object of producing lawyers but also to create, law abiding citizens who are inculcated with concepts of human values and human rights to serve humanity in various capacities such as, administrators, law teachers, jurists, judges, and industrial entrepreneurs etc. As far as creation of good advocates and solicitors is concerned, legal education should aim at equipping them with legal techniques and professional skills along with the theoretical knowledge of law.

Throughout the last century a promise is generated for improvement and development, not only in the field of science and technology but also in every field ranging from communication to information technology. The century also brought many improvements in the economic, social, ecological and political arrangements all over the world. New horizons are opened in the field of trade, commerce, science& technology and law. Globalization has set a new dynamism of entire polity and the society. Now the whole world is emphasizing upon knowledge economy, accordingly, legal education has also taken a significant transformation to meet the challenges of globalization.

In this paper an overall examination of the evolution of legal education in India will be emphasized. This study will also focus on the starting point of the realization of the need for legal education in India till the present situation. This paper will also discuss on the new trend of legal education, introduced / offered by various institutions of India and their quality, whether, sufficient to meet the challenges posed from international standards.

#### LEGAL EDUCATION PAST AND PRESENT

Early legal education in India was conditioned by the need of preparing a class of persons knowing the English language and acquainted with English common law and also the rules and regulations patterned on the statutes then in force in England which were progressively introduced in the presidency towns, to begin with. This is being the sole and limited objective, the first essential prerequisite was knowledge and acquaintance of the

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English Language. Consequently even, non-matriculates were considered qualified to undertake the study of law. <sup>20</sup>

Until 1826 every *vakeel* was required to have knowledge of Persian language which had been and continued to be the language of courts till English gradually replaced Persian. He was further required to have studied either at the Calcutta madarsa (*established in1781*) or at the Hindu College, Banaras (*established in 1792*). Gradually other institutions came up. The Hindu college at Calcutta was started in 1817. <sup>21</sup>One of the principal objects of the establishment of this college was "to prepare *Vakeels* or native pleaders" having knowledge of native law and sufficient acquaintance with the regulations passed by the government. The emphasis, therefore, was not on teaching the theory or principles of law or jurisprudence but of acquainting the lawyers-to-be with rules and regulations. The regulations contained in Marshman's guides<sup>22</sup> constituted almost the entire field of study of law.

Law courses and classes were started in Hindu College Calcutta, Elphinstone College at Bombay, and at Madras in 1855. The University Act, 1857 recognized and established the teaching of law as a necessary function of universities. The government established colleges of law at Bombay and Madras. A few years thereafter law classes were started at Allahabad. The University College of Law established at Calcutta later on attempted to introduce changes both as regards the courses of study and methods of teaching following, to a certain extent, in the lines adopted by the American Universities of Yale and Harvard.<sup>23</sup>

In 1908, Calcutta University appointed a commission presided over by Michael Sadler, that committee had made definite recommendations for the reform and reorganization of studies in law. Gradually the number of law departments in the universities and also the number of law graduated began to swell. By 1910 about 3,000-3,500 graduates in law were passing out annually from these institutions.

Gradually law departments started operating in affiliated mixed colleges. <sup>24</sup>Some universities had maintained both morning and day classes and a few universities had evening classes. The morning classes were for such students who had no employments and in the evening for employee students. The duration of studies for the first law degree was, considerably different in the pattern and practice in different universities before the commencement of the Advocates Act 1961.

#### MODERN LEGAL EDUCATION IN INDIA

In India, legal education generally refers to the lawyer's education i.e. the education of the lawyers, before entry into practice as an advocate. This was because the general understanding of the people was that legal education makes a person a lawyer only. This was due to lack of opportunities in this field in India. Today, Legal education in India is being offered not only by the traditional universities, but also by the specialized law universities or the law schools for which the basic qualification needed was a graduation in any discipline. Now with the commencement of the integrated law courses the basic qualification required for entry into these integrated courses is higher secondary with a minimum specified percentage of marks in aggregate.

 $^{20}$ . Legal profession and legal education, by S.Dayal, Joseph Minattur, Edited "The Indian Legal System" The Indian Law Institute, New Delh 1978,p-161

<sup>&</sup>lt;sup>21</sup>.Men like Prasanna Kumar Tagore, Romesh Chandra Mitter (who later on became judge) an many others who later on became famous lawyers had their early legal education in this college.

<sup>&</sup>lt;sup>22</sup> . John Clerk Marshman 1794-1877 published 'Marshman's Guide to the Civil law of the Presidency of Fort William, which was possibly one of the most profitable law books ever.

<sup>&</sup>lt;sup>23</sup>. Legal profession and legal education, by S.Dayal, Joseph Minattur, Edited "The Indian Legal system" The Indian Law Institute, New Delhi 1978,p-162

<sup>&</sup>lt;sup>24</sup>.By 1968-69, 120 affiliated colleges (68 purely law colleges and 52 multi-faculty colleges having a law department) and 34 universities (25 University law departments and 9 university law colleges) were imparting legal education.

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Prior to the introduction of five year law course, most of the students who performed well in their Intermediate examination aspired to study medicine, engineering, computers, business management and accounting. Law as a profession and legal education as a discipline obviously did not attract first-class minds, as students or as teachers.

The traditional three year law graduate courses are still prevailing In India, however the course structure has been changed since 1987. Law degrees in India is granted and conferred in terms of the Advocates Act, 1961, which is a law passed by the Parliament both on the aspect of legal education and also regulation of conduct of legal profession. Under the Act, the Bar Council of India is the supreme regulatory body to regulate legal education and the legal profession in India and also to ensure the compliance of the laws and maintenance of professional standards.

In this regard, the Bar Council of India prescribes the minimum curriculum required to be taught, for an institution to be eligible for the grant of a law degree. The Bar Council also carries on a periodic supervision of the institutions conferring the degree and evaluates their teaching methodology and curriculum and having determined that the institution meets the required standards, recognizes the institution and the degree conferred by it.

Traditionally the degrees those were conferred carried the title of LL.B. (Bachelor of Laws) or B.L. (Bachelor of Law). The eligibility requirement for these degrees was that the applicants already have a Bachelor's degree in any subject from a recognized institution. Thereafter the LL.B. / B.L. course was for three years, upon the successful completion of which the applicant was granted either degree. However upon the suggestion by the Law Commission of India for reform, the Bar Council of India insisted upon an experiment in terms of establishing specialized law universities solely devoted to legal education and thus to raise the academic standards of legal profession in India. This decision was taken in 1985 and thereafter the first law University in India was set up in Bangalore which was named as the National Law School of India University (popularly 'NLS').

Thereafter other law universities came up, all offering five years integrated law degree with different nomenclature. Such an University is established in Bhopal in the year 1997. It was followed by NALSAR University of law set up in 1998. The National Law University, Jodhpur offered for the first time in 2001 the integrated law degree of "B.B.A, LL.B. (Honours)" which was preceded by the West Bengal National University of Juridical Sciences offering the "B.Sc., LL.B. (Honours)" degree. KIIT Law School, Bhubaneswar became the first law school in India in 2007 to start integrated law in three different streams and honours specialization; i.e. B.A./B.B.A./B.Sc. LL.B. (Honours). These law universities were meant to offer a multidisciplinary and integrated approach to legal education. It was therefore for the first time that a law degree other than LL.B. or B.L. was granted in India. NLS offered a five year law course upon the successful completion of which an integrated degree with the title of "B.A.LL.B. (Honours)" is granted.

#### ACADEMIC LAW DEGREES

In India, the basic qualification for a student to pursue a law course was, only after completing agraduate course in any discipline. However, following the national law school model, one can study law as an integrated course of five years after passing the senior secondary examination. However, both the holders of the three year law degree and of the five year integrated law degree are eligible for enrollment with the Bar Council of India upon the fulfillment of eligibility conditions and upon enrollment, may appear before any court in India. The following are some of the common law degrees and integrated double degree law courses offered by the Indian Law Universities.

- ➤ Bachelor of Laws (LL.B.) The LL.B. is the most common law degree offered and conferred by Indian universities which is a three years duration course. Almost all law universities follow a standard LL.B. curriculum, wherein students are exposed to the required bar subjects.
- ➤ Integrated undergraduate degrees B.A. LL.B., B.Sc. LL.B., BBA. LLB., B.Com. LL.B. These degrees are mostly offered in the autonomous law schools having duration of five years.

<sup>25</sup>. Before 1987, in some Universities the total number of courses was 18 for the three year law course, including only one practical subject, however with the commencement of the changed structure the minimum number of courses in three year law degree was enhanced to 28 including two practical courses.

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- ➤ Master of Laws (LL.M.) The LL.M. is most common postgraduate law degree which is a two years duration course.
- **➤** Master of Business Law
- Doctor of Philosophy (Ph.D.)
- ➤ Integrated MBL-LLM/ MBA-LLM. -Generally a three years double degree integrated course with specialization in business law.

#### LEGAL EDUCATION IN OTHER PARTS OF THE GLOBE

Unlike India, the system of legal education prevalent in England, America and in many other developed countries is considerably different. The admissions to law schools in these parts of the world are highly competitive. The end result is that the 'creams' among students opt for law by choice and not as the last resort and thus richly contribute their shares to the society as lawyer, judges, paralegals and academics.

It is true that Legal education in India is in the process of transformation. As the law universities in India particularly the National Law School of India University, Bangalore the pioneer in the field of transformation of legal education has guided other law schools of India to bring about new experiments in legal education. The experiments conducted by such institutions with the introduction of new law courses integrating them with other important subjects of Arts, Science, Commerce and other import branches of technology able to produce a new generation legal experts successfully having expertise not only in the allied branch of knowledge but also the legal technique required to deal with the subject. Services of such technically sound legal personalities are needed not only in India but also outside India.

#### CHALLENGES TO LEGAL EDUCATION IN INDIA

Few decades before, the main purpose of university legal education in India was not the teaching of law, as a branch of learning and as a science, but simply to impart to students knowledge of certain principles and provisions of law to enable them to enter the legal profession, exclusively for local needs i.e. to practice as an Advocate. Gradually this perception changed and the process of reform in law and legal education was initiated. The real challenge posed only after 1990s when the new generation scientific and technological revolution occurred, and greater interaction between nations, trade in goods and services, information technology and free capital flow across international boundaries made the world a global village. Consequently, the concept of "local practice" widened to that of "transnational practice" in the context of globalization.

#### GENERAL AGREEMENT ON TRADE IN SERVICES (GATS)

India, being one of the founding members among the 85 countries has signed the General Agreement on Trade in Services (GATS) of WTO. The agreement which consists of XXIX Articles and 8 Annexure, impose a number of general obligations on the signatories. All the signatories are bound to abide by the rules of the WTO. GATS also require nations to accord "most favoured nation" status. As per this agreement a member country must provide both market access and "national treatment" to other member countries. As a consequence, India cannot prevent the entry of foreign lawyers into India.

Globalization has brought a tough competition in educational service sectors. We are bound to face tough competition not only from within India but also from outside. Globalization and Internationalization of the legal profession and the probable entry of foreign lawyers in to India in the near future, poses a serious threat to the legal professionals in India. Our lawyers and legal professionals shall have to compete with the foreign lawyers and professionals.

Since the development of knowledge, economy remains an important goal of the developed and developing countries, the establishment of educational institutions of global excellence along with changed new curriculum of global standard ought to become the priority of the developing country like India. Universities worldwide are preparing them to face the challenges of globalization. Some of the famous Universities of the world like Cambridge, Harvard, New York, Oxford, Stanford and Yale are gearing themselves up to cope with the changing situation of internationalization of education. Globalization and the changing dimension of the Indian economy and polity have thrown up new challenges before us.

This situation needed a serious attention towards the development of legal teaching and legal profession in India. Steps have been taken in this direction by opening different types of law courses in the National Law Schools to cater the need of the future. The present changes, that has been brought about by the National Law Schools should be considered only as a good beginning, and much more is needed to give legal education a new

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shape with the introduction of specialized new course structures, incorporating all the important branches of knowledge.

It is however very important to think over globalization and the need of reformed legal education, to respond to the new challenges of globalization. Never before in the history of legal education, this need was felt, however looking to the urgent need a carefully planned futuristic legal education is indispensible today. Unless the important topics of universal application are integrated in our legal education, our products (lawyers and other law professionals) would not be able to compete in the transnational market place. At present, an innovative programme of integrated interdisciplinary legal learning, in the new areas like Comparative Law, information technology, intellectual property, corporate governance, human rights, environment, international trade law, investment and commerce, transfer of technology, alternative dispute resolution and space study is important. Comparative Legal education for professional excellence is needed in these and other areas on a global basis. This would meet the future challenges of globalization effectively.

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# A STUDY OF SOCIALLY RESPONSIVE MANAGEMENT AS A PART OF C. S. R. IN INDIA

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#### **ABSTRACT**

Actions towards Corporate Social Responsibility can spring when the society is ready to accept it as a concept and in principle. Corporate Social Responsibility is interpreted as an Academic Discipline. It can be presented as a Management Approach - a technical and instrumental response to the overall business environment. It can be treated as a field including Academic and Practitioner perspective. Its Prime focus is on the relationship existing between the business and wider society and how it can be managed.

It can be defined as an obligation of a Corporate Organization to protect and enhance the society within which it operates.

Its areas include Ecology and Environmental Quality, Consumerism, Community Needs, Relationships with the Government, Minorities and Disadvantaged Persons, Relationships with the Labor and the other Stake holders.

First approach towards Corporate Social Responsibilitycoversfour major aspects namely Social Opposition, Social Obligation, Social Response and Social Contribution. Second approach has two broad aspects, namely Formal and Informal. The Formal Approach is classified into distinct categories - Legal Compliance, Ethical Compliance and Philanthropic Compliance. The Informal Approach travels beyond the exclusive domain of Formal Organization as it depends upon Organizational Culture.

There are two kinds of arguments, in favor of and against Corporate Social Responsibility. Both these kinds of arguments are briefly included in the Research Paper,

Various features of Socially Responsive Management which is a part of Corporate Social Responsibility include Appropriate Utility of Economic and Social Resources, Employee Expectations, Higher Level Human Aspirations, Need for Social Awareness and Social Performance, Impact of Behavioral Actions and Official Decisions.

To conclude the Research Paper, the Researcher has given his personal views towards Corporate Social Responsibility based on his Social Observations and Personal Experiences during Social Interactions with many corporate people on a number of occasions.

Key Words: Quality of Life Management and Socially Profitable and Beneficial Business.

#### INTRODUCTION

Corporate Social Responsibility is one of the major trends in modern business. Especially in several seminars or conferences, whssether at National Level or International Level, very loud comments are passed, quite often, on this topic.

Corporate Social Responsibility is interpreted as an Academic Discipline. It can also be **presented as a Management Approach - a technical and instrumental response to the overall business environment.** Furthermore, it can be treated as a field including Academic and Practitioner perspective. Its **Prime focus** is on the **relationship existing between the business and wider society and how it can be managed.** 

#### RATIONALE OF THE RESEARCH PAPER

Moreover, with effect from 1<sup>st</sup> April 2014, as per the provisions of Section 137 of The Company's Act, 2013, 'Any Company having a Net Worth of Rs. 500 Crore or more OR a Turnover of Rs. 1,000 Crore OR a Net Profit of Rs. 5 Crore, must spend 2 % of their Net Profits on CSR Activities. Thus, this is the right time to scrutinize the concept as well as the actual practices of Corporate Social Responsibility, in India. In the words of Dietrich Bonheoffer, "Action springs not from thought, but from a readiness for responsibility." In other words, actions towards Social Responsibility can surely spring only when the society, as a whole, is really ready to accept Social Responsibility, as a concept and also in principle.

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#### DEFINITIONS OF CORPORATE SOCIAL RESPONSIBILITY

In the words of *Bowen*, Social Responsibility means an obligation of business to pursue those policies, to make those decisions or to follow those lines of action which are desirable in terms of the objectives and values of our society.

The International Seminar held in New Delhi, India, some years ago, on the theme of 'Social Responsibilities of Business' defined the term 'Social Responsibility.'

It includes

- (a) Responsibility to itself, to its investors, workers, shareholders and the community.
- (b) The task of management to reconcile these separate, sometimes, conflicting responsibilities.

The word 'Corporate Social Responsibility' can roughly be defined as an obligation of a Corporate Organization to protect and enhance the society within which it operates.

#### RESEARCH PAPER OBJECTIVES

The Research Paper Objectives are as follows.

- 1. To understand the concept of Corporate Social Responsibility in India
- 2. To Study various features of Socially Responsive Management in India as a part of Corporate Social Responsibility

#### RESEARCH PAPER METHODOLOGY

The Methodology adopted for writing the research Paper is as follows.

- 1. The review of literature was done through several books and a significant website (Secondary Data) in order to understand:
  - (a) the concept of Corporate Social Responsibility in India
  - (b) various features of Socially Responsive Management in India as a part of Corporate Social Responsibility
- 2. Various logical, significant and relevant inferences related to the Research Topic and Research Objectives were arrived at before concluding the Research Paper.
- 3. Thereafter, personal views were developed after applying logical interpretations of Secondary Data, to conclude the Research Paper.

#### SOURCES OF SECONDARY DATA

The sources of Secondary Data collected for this Research Paper include several Books and a Website, the details of which are given in the Section, of Categorized Bibliography, which is located towards the end of the Research Paper.

#### SCOPE OF THE RESEARCH PAPER

The scope of the Research Paper extends to understand the concept of Corporate Social Responsibility in India and the study of various features of Socially Responsive Management in India, as a part of Corporate Social Responsibility.

#### CONCEPT OF CORPORATE SOCIAL RESPONSIBILITY

Indeed, Sometimes, Corporate Social Responsibility (CSR) is roughly interpreted as an Academic Discipline. This means that it is a coherent body of knowledge addressing a central theme. Prime focus of Corporate Social Responsibility is on the relationship existing between the business and wider society and also as to how it can be managed, quite effectively, in practice. Moreover, Corporate Social Responsibility can also be presented as a Management Approach that is a technical and instrumental response to the overall business environment. As a matter of fact, Corporate Social Responsibility should ideally be treated as a field which includes both the Academic and Practitioner perspective. Furthermore, the overall constituents related to Corporate Social Responsibility get affected either favorably or adversely because of the very existence of the Corporate Organization, in itself and moreover its performance, in the society. The society, just referred to, consists of different elements like Customers, Employees (also termed as Internal Customers), Creditors, Competitors, Suppliers, Shareholders, State Government, Internal Groups, Community Groups, to mention a few. In simple words, in the absence of society, the Corporate Organization, in itself, would cease to exist.

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Various areas of Corporate Social Responsibility include Ecology and Environmental Quality, Consumerism, Community Needs, Relationships with the Government, Minorities and Disadvantaged Persons, Relationships with the Labor and the other Stake holders, to mention a few.

Broadly speaking, there are two approaches towards practicing of Social Responsibility in the Corporate Organizations. First approach covers four major aspects in the practical form of Social Opposition, Social Obligation, Social Response and Social Contribution. Moreover, on the continuum of Social Responsibility, its degree ranges from the highest to lowest respectively from the first to the last approach. The second approach has two broad aspects, namely Formal and Informal. The Formal Approach can further be classified into three distinct categories, that is, Legal Compliance, Ethical Compliance and Philanthropic Compliance. The Informal Approach, indeed, travels beyond the exclusive domain of Formal Organization as basically it depends upon Organizational Culture.

Moreover, arguments in favor of Corporate Social Responsibility include Public Expectations and resultant Image, Dominance of the Competitors, Favorable Environment leading to Corporate Success, Overcoming Government Rules and Regulations, Maintenance and Development of Goodwill, Appropriate Utility of Corporate Resources, Courteous Social behavior Augmenting Profits, Assured Survival and Stability. The arguments against Corporate Social Responsibility coverLoss of Profit Maximization, Dominance of the Competitors, Favorable Environment leading to Corporate Success, Overcoming Government Rules and Regulations, Maintenance and Development of Goodwill, Appropriate Utility of Corporate Resources, Courteous Social behavior Augmenting Profits.

#### FEATURES OF SOCIALLY RESPONSIVE MANAGEMENT

The expectations of the society, as a whole, from the business as such, have, no doubt, highly multiplied, in today's world. The business managers are needed to act, at present, not only merely as an *agent of Economic Change and Technical Change* but they are also needed to act as an active *agent of Social Change*. At the same time, it is important for them to manage their business operations, quite harmoniously, consistent with ever changing environment.

The following are the selected features of Socially Responsive Management which are studied in this Research Paper as a part of Corporate Social Responsibility.

#### 1. Appropriate Utility of Economic and Social Resources

The society expects much more from the business today, as against past in the sense that the society intends that its **Social Resources** should intelligently and tactfully be utilized as its **Economic Resources**. Therefore, the business managers need to give equal emphasis or thrust while utilizing the Social Resources as well as Economic Resources. Moreover, the business managers are also observed interested in Social Results along with the Economic Results. As they act as a Productivity Catalyst, they are required to study both the kinds of inputs, namely, Social Inputs and Economic Inputs, and also, both the kinds of outputs, namely, Social Outputs and Economic Outputs, at the stage of evaluating, planning, and finalizing any business project.

#### 2. Employee Expectations

Today, it is necessary to satisfy, at least, the reasonable expectations of modern mature employees as they are the core-constituents of human society. The Managerial Leadership is really called upon to recognize the significance of Participative or Democratic style of Management. Different Management Concepts like *Job Enrichment* (J. E.), *Management by Objectives* (M. B. O.) and *Organizational Development* (O. D.) are guiding necessary changes in the leadership style. The leadership style should evince social awareness and bring about social improvements.

#### 3. Higher Level Human Aspirations

Social needs and social goals are compelling business managers, these days, to work towards high Quality of Life as well as high Economic Productivity. This can certainly be ideally interpreted as 'Quality of Life Management.' Quality of life undoubtedly satisfies one of the psychological needs and ultimately leads to higher level human aspirations.

#### 4. Need for Social Awareness and Social Performance

The need for Social Awareness and Social Performance is also one of the important obligations of the business managers, now-a-days. In this regard, a non-deniable fact needs to be acknowledged that Economic

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Performance only can lead to Social Performance. A strong Economic Base and Sufficient Profits can resolve ever increasing and varying social problems requiring monetary expenditure. This demands a Socially Profitable or Beneficial Business wherein both the Outputs, namely Economic and Social, are more than the Inputs.

#### 5. Impact of Behavioral Actions and Official Decisions

Social Responsibility surely bestows personal responsibility or individual obligation on the business managers and other employees to ensure that right and legitimate interests of both the internal as well as external elements stand well secured or protected through their behavioral actions or official decisions. In other words, *business managers should necessarily consider the impact, whether favorable or unfavorable, direct or indirect, of their behavioral actions or official decisions on all the stake-holders* (Customers, Employees, also termed as Internal Customers, Creditors, Competitors, Suppliers, Shareholders, State Government, Internal Groups, Community Groups, to mention a few), especially at the stage of Corporate Planning or formulation of Corporate Strategies.

#### RESEARCHER'S PERSONAL VIEWS TOWARDS CORPORATE SOCIAL RESPONSIBILITY

After proper understanding of the concept of Corporate Social Responsibility and especially after learning several features of Socially Responsible Management, as they are described above, there is a possibility of creation of considerable confusion whether or not the Corporate really has the Social Responsibility. No doubt, this confusion is quite understandable, rational as well as logical.

However, the Researcher is of the firm view that the Corporate does have Social Responsibility for the following few main reasons.

- 1. The Corporate act only within the four parameters of the society and not, at all, out of the periphery or the boundary of the society. Therefore, they do owe the Responsibility towards the society.
- 2. The fact of very existence of the Corporate, in itself, is because of the existence of society, as a whole. In simple words, if the society would not exist, the Corporate, too, would cease to exist.

Furthermore, the arguments passed against practicing of Social Responsibility are intelligently needed to be curbed out and overcome through persuasion and proper emphasis on its vital benefits.

#### RESEARCH PAPER LIMITATIONS

- 1. As the Research study for this paper is based on Secondary Data, all the limitations of Secondary Data have direct and deep impact on various views formed and inferences arrived at by the Researcher in this Research Paper.
- 2. As the Research study for this Paper is based on Human Views, that is, Views of the Researcher, all the limitations of Human Views have direct impact on various views formed and inferences arrived at by the Researcher in this Research Paper. (At the same time, it may, necessarily, not, at all, be out of place to point out, over here that the views and inferences, referred to, are really based on fully considered, well balanced and sound judgmental skills of the prevailing social situations as regards Corporate Social Responsibility.)
- 3. Various views expressed in this Research Paper are partially based on Social Observations of the Researcher and his Experiences during Social Interactions with many corporate people on a number of occasions. As a result, full concurrence with all the personal views as well as personal opinions of the Researcher is certainly neither desirable nor possible, in practice. This may give rise to intellectual opinion differentiation in respect of certain personal views and opinions.
- 4. Different areas of Corporate Social Responsibility mentioned in this paper are suggestive and not at all, exhaustive, in their nature.
- 5. Different Areas, Approaches and Aspects of Corporate Social Responsibility are not, at all, elaborated, in detail, in this Research Paper for want of length.

#### SCOPE FOR FUTURE RESEARCH

During the course of the study of this Research Paper, the researcher found out that there is an ample scope and adequate potential for research in future for the following topics related to Corporate Social Responsibility in India.

1. A Study of Status of Corporate Social Responsibility in India

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- 2. A Study of Areas of Corporate Social Responsibility in India
- 3. A Study of Approaches towards Corporate Social Responsibility in India
- 4. A Study of Psychological Aspects of Corporate Social Responsibility in India
- 5. A Study of Personal Aspects of Corporate Social Responsibility in India

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#### A STUDY ON AGE DEPENDENCY RATIO IN NORTH EAST INDIA

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#### **ABSTRACT**

The age dependency ratio measures the fraction of dependents in a population. Dependents refer to people who are not in the workforce, such as those who are either too young or too old to work. North East India shows variation in terms of population size and age group. As per the 2011 census information, North East India has a total age dependency ratio of 65.18 percent, whereas among the seven states the highest total dependency ratio is found in Meghalaya (80.09%) and lowest dependency ratio is found in Tripura (55.29%). In this paper an attempt has been made to study the age dependency ratio in North East India based on latest census data.

Keywords: dependency ratio, North East India.

#### INTRODUCTION

The dependency ratio is an age-population ratio of those typically not in the labour force (the dependent part) and those typically in the labour force (the productivepart). It is used to measure the pressure on productive population and is normally expressed as a percentage (C.S.O., 2011). The age-dependency ratio is the ratio of people in the "dependent" ages (those under age 15 and ages 60 and older) to those in the "economically productive" ages (15 to 59 years) in a population (P.R.B., 2011). The dependency ratio is an important demographic indicator that provides insight into the amount of people of non-working age compared to the number of those of working age. This helps to assess the economic burden carrying by the productive age group. A high value of dependency ratio refers to greater burden on the dependent age group and vice-versa. North East India and its seven states (Assam, Arunachal Pradesh, Nagaland, Manipur, Mizoram Tripura and Meghalaya) have varying population sizes and age group structure, and an analytical study on age dependency ratio in the same will help to generate information about the pressure of dependent age group on the productive age group in North East India.

#### STUDY AREA

The study area is confined to North East India, situated in the north eastern part of India, comprised with seven states (excluding Sikkim) viz. Assam, Arunachal Pradesh, Nagaland, Manipur, Mizoram, Tripura and Meghalaya. The study area is located between 22° N to 29°30′ N latitudes and 89°46′ E to 97°30′ E longitudes. North East India covers an area of 255,036 km², represents about 7.3% of the country. It supports a population of 451,61,611persons with a decadal growth rate 18.05% as per 2011 census. North East India has a population density of 170 persons/km² with a sex-ratio of 959 females/1000 males; and it has a literacy rate of 79.27% (2011 census).

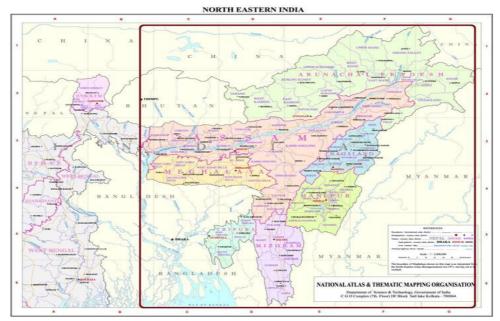


Fig.1: Location of the study area

#### **OBJECTIVE**

The prime objective of this paper is to study and to find out the age dependency ratio in North East India in terms of total dependency ratio, young and old age dependency ratio, male and female age dependency ratio, rural and urban age dependency ratio.

#### **METHODOLOGY**

The study is mainly based on secondary data. Census of India, 2011 population census data showing age group are taken as a major data source for this study (*Table1*). Beside this, some relevant information have been collected from various sources like books, journals, research article, statistical handbooks, census manuals and Government websites.

Total age dependency, young age dependency and old age dependency ratios are the three methods used in the study. To find out the dependency ratio accurately from the total age group, male-female age groups and rural-urban age groups, the age not stated figures have been deducted from the all ages figures (*Table1*). The total dependency ratio can be

Table1: Age-group structure, North East India, 2011

A N7	Age-group		Total		Rural	Urban
Area Name		Persons	Males	Females	Persons	Persons
	All ages	31205576	15939443	15266133	26807034	4398542
	0-14	10248899	5230649	5018250	9191273	1057626
ASSAM	15-59	18859309	9644083	9215226	15853229	3006080
	60+	2078544	1054817	1023727	1747513	331031
	Age not stated	18824	9894	8930	15019	3805
	All ages	1383727	713912	669815	1066358	317369
	0-14	493361	249602	243759	394147	99214
ARUNACHAL PRADESH	15-59	825218	430262	394956	614657	210561
FRADESH	60+	63639	33189	30450	56361	7278
	Age not stated	1509	859	650	1193	316
	All ages	1978502	1024649	953853	1407536	570966
	0-14	679032	351175	327857	502034	176998
NAGALAND	15-59	1195273	617846	577427	822943	372330
	60+	102726	54779	47947	81285	21441
	Age not stated	1471	849	622	1274	197
	All ages	2855794	1438586	1417208	2021640	834154
	0-14	861688	444072	417616	632667	229021
MANIPUR	15-59	1786309	890487	895822	1251706	534603
	60+	200020	99795	100225	131615	68405
	Age not stated	7777	4232	3545	5652	2125
	All ages	1097206	555339	541867	525435	571771
	0-14	356002	180955	175047	191956	164046
MIZORAM	15-59	671943	339660	332283	300703	371240
	60+	68628	34345	34283	32496	36132
	Age not stated	633	379	254	280	353
	All ages	3673917	1874376	1799541	2712464	961453
	0-14	1017991	520047	497944	807444	210547
TRIPURA	15-59	2364766	1211542	1153224	1698222	666544
	60+	289544	141920	147624	205763	83781
	Age not stated	1616	867	749	1035	581
	All ages	2966889	1491832	1475057	2371439	595450
	0-14	1177942	596904	581038	998581	179361
MEGHALAYA	15-59	1644261	824660	819601	1258557	385704
	60+	138902	66939	71963	109520	29382
	Age not stated	5784	3329	2455	4781	1003
	All ages	45161611	23038137	22123474	36911906	8249705
NODELLEAGE	0-14	14155883	7222229	6933654	12216068	1939815
NORTH EAST INDIA	15-59	27347079	13958540	13388539	21800017	5547062
INDIA	60+	2942003	1485784	1456219	2364553	577450
	Age not stated	37614	20409	17205	29234	8380

Source: Census of India, Government of India.

decomposed into the young dependency ratio and the old dependency ratio (Census of India, 2001). The total age dependency ratio refers to the number of person (children) aged 0 to 14 years plus the number of

The total age dependency ratio refers to the number of person (children) aged 0 to 14 years plus the number of persons (old) aged 60 years or over per 100 persons aged 15 to 59 years:

Total dependency ratio= $\frac{\text{POPULATION}(0-14) + \text{POPULATION}(60+)}{\text{POPULATION}(15-59)} \times 100 \quad \text{(Census of India, 2001)}.$ 

Young age dependency refers to the number of persons in the age-group 0-14 per 100 persons in the age-group 15-59 years:

Young dependency ratio=  $\frac{\text{POPULATION}(0-14)}{\text{POPULATION}(15-59)}$ x 100 (Census of India, 2001).

Old age dependency refers to the number of persons in the age-group 60 or more per 100 persons in the age-group 15-59 years:

Old dependency ratio=  $\frac{\text{POPULATION}(60+)}{\text{POPULATION}(15-59)}$ x 100 (Census of India, 2001).

The value of age dependency ratio can be expressed in percentage and the higher value of dependency ratio refers to higher pressure of dependents to the working or productive population and vice-versa.

#### RESULTS AND DISCUSSION

Age dependency ratio is a demographic indicator to measure the burden of non-productive population on the productive or working population group. In North East India as per 2011 census information, there is variation of population size, age group structure from one state to another and this resulted state-wise variation of age dependency ratios.

Area name Total population **Female** Urban Male Rural Assam 65.37% 65.17% 65.57% 69.00% 46.19% Arunachal Pradesh 67.50% 65.73% 69.43% 73.29% 50.58% 53.30% Nagaland 65.40% 65.70% 65.08% 70.88% Manipur 59.43% 57.81% 61.06% 55.63% 61.08% Mizoram 63.19% 63.39% 62.99% 74.64% 53.92% **Tripura** 55.29% 54.64% 55.98% 59.66% 44.16% 54.12% Meghalaya 80.09% 80.50% 79.67% 88.05% **North East India** 65.18% 65.17% 65.23% 70.94% 51.13%

Table2: Total dependency ratio in North East India, 2011

Source: manipulated and calculated from Table 1.

The total dependency ratio is found to be 65.18 percent for the total population in North East India, whereas among the states, Meghalaya has recorded highest total dependency ratio above the North East average, and Tripura has recorded lowest total dependency ratio below the North East average (*Fig.2*). Both male and female age dependency ratios have been found highest in Meghalaya, whereas lowest male and female age dependency ratios have been found in Tripura. Similarly, total rural age dependency ratio is found to be highest in Meghalaya and total urban age dependency ratio is found to be highest in Manipur. In case of the North East India as a whole, the total rural age dependency ratio is observed to be highest (70.94%) among the rest criteria of dependency ratios (*Table2*).

Young age dependency ratio estimates the proportion of young (children) population to the working population group. High values of young dependency ratio mean the place is associated with high birth rate and high growth rate of young population group which will result greater burden on the productive population. As per the 2011 census information, total

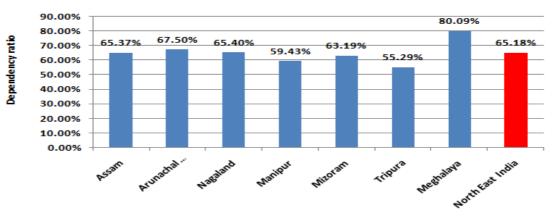


Fig.2: Total dependency ratio, North East India, 2011

Table3: Total young dependency ratio in North East In	India, 2011
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Area name	Total young	Male	Female	Rural	Urban
	population				
Assam	54.34%	54.24%	54.46%	57.98%	35.18%
Arunachal Pradesh	59.79%	58.01%	61.72%	64.12%	47.12%
Nagaland	56.81%	56.84%	56.78%	61.00%	47.54%
Manipur	48.24%	49.87%	46.62%	50.54%	42.84%
Mizoram	52.98%	53.28%	52.68%	63.84%	44.19%
Tripura	43.05%	42.92%	43.18%	47.55%	31.59%
Meghalaya	71.64%	72.38%	70.89%	79.34%	46.50%
North East India	55.26%	55.36%	55.19%	60.62%	42.14%

Source: manipulated and calculated from Table1.

young dependency ratio in North East India is found to be 55.26 percent, whereas male and female dependency ratios are observed to be 55.36 percent and 55.29 percent respectively. Similarly, North East India has recorded rural young dependency ratio of 60.62 percent and young urban dependency ratio of 42.14 percent. At state level, the highest young dependency ratio in terms of total young, male, female and rural is observed in Meghalaya, while highest young urban dependency ratio is recorded in Nagaland. On the contrary, Tripura has recorded lowest young dependency ratio in all criteria (*Table3*).

Old age dependency ratio estimates the proportion of old (aged) population to the working population group. High values of old dependency ratio mean the place is associated with low death rate of old age population group which will result greater burden of aged population on the productive population group. As per the 2011 census information, total old dependency ratio in North East India is found to be 9.91 percent, whereas old male and old female dependency ratios are found to be 9.81 percent and 10.02 percent respectively. Similarly, old rural dependency and old urban dependency ratios have recorded to be 10.31

Table4: Total old dependency ratio in North East India, 2011

Area name	Total old	Male	Female	Rural	Urban
	population				
Assam	11.03%	10.93%	11.11%	11.02%	11.01%
Arunachal Pradesh	7.71%	7.72%	7.71%	9.17%	3.46%
Nagaland	8.59%	8.86%	8.30%	9.88%	5.76%
Manipur	11.19%	11.21%	11.19%	10.52%	12.79%
Mizoram	10.21%	10.11%	10.31%	10.80%	9.73%
Tripura	12.24%	11.72%	12.80%	12.11%	12.57%
Meghalaya	8.45%	8.12%	8.78%	8.71%	7.62%
North East India	9.91%	9.81%	10.02%	10.31%	8.99%

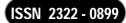
Source: manipulated and calculated from Table1.

percent and 8.99 percent respectively. Among the seven states, Tripura has recorded highest old age dependency ratio in terms of total old population, male, female and rural ratios, while old urban dependency ratio is found to be highest in Manipur. On the other hand, the lowest old dependency ratio in terms of total old population, male, female and urban ratios has observed in Arunachal Pradesh and the lowest old rural dependency has found in Meghalaya (*Table4*).

#### **CONCLUSION**

From the previous discussion it is clear that Meghalaya has the highest numbers of dependent population in terms of total population dependency ratio and total young population dependency ratio. In connection to this, it can be estimated that pressure of total and young dependent population on the working population group is highest in Meghalaya among the other states of North East India. Similarly, Tripura is found to be highest numbers of aged population in terms of old age dependency ratio. Lowest numbers of total and young dependent population is found in Tripura, while lowest number of old dependent population is found in Arunachal Pradesh. Gender wise the numbers of dependent population in North East India vary from one state to another. Meghalaya has the highest numbers of total and young dependents of male and female population, whereas highest number of old aged dependent population of male and female is observed in Tripura. On the other hand, Tripura has registered lowest numbers of total and young dependents of male and female population

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and in terms of old age dependent population Arunachal Pradesh has the lowest numbers of male and female dependent. In case of rural-urban scenario, the total, young and old age numbers of dependents population in all criteria are found to be higher in rural areas of North East India comparing to urban areas. Finally, it can be concluded that Meghalaya is associated with highest numbers of dependent population on the productive age group almost in all criteria, while Tripura has fairly the least burden of dependent population on the working population group.

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#### A STUDY ON NEED FOR eCRM INECOMMERCE

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#### **ABSTRACT**

Today's market competition to attract customers is fierce and never easy. Increasing customer expectations and market pressure are causing dramatic increase in business competition. These factors are forcing companies to shift their approach to get customers. CRM received fillip with the advent of internet and related web enabled technologies. As companies make the transition from a product-only focus to a customer focus, CRM emerges as a technology that brings customers closer to organizations to retrieve information online. CRM, when correctly and effectively utilized, results in increased profitability and greater customer loyalty, two key needs for any organization. In view of considerable research and developments in web enabled CRM area during last two decades it becomes necessary to take stock of emerging technologies and identify emerging opportunities and bottlenecks in implementation. In this paper it is attempted to review e-CRM concept. The study focuses on identification of thrust areas resulting benefits and customer's expectations.

Key words: e-Commerce, Customer Relationship Management, e-CRM

#### INTRODUCTION

Customer Relationship Management is the most talked about business mantra these days. With the advent of CRM in late 1990s, marketers opine that proper vigil and analysis of customer data might bring wonders for the organization. It's become progressively harder for retailers to compete based on price over the past few years. Retail sub segments in crowded marketplaces have seen low-cost online pure plays and big-box stores with substantial supply chain efficiencies continue to pick up steam with consumers. A growing number of retailers, however, are waking up to the importance of creating a seamless multichannel experience as a vital part of their tool kit for competitive differentiation.

Customer relationship concept is principle focus strategic enterprises in industry today. While serving customers were at lower preferences of company, but now customers have been placed at the center and main section of company's affairs and companies revise and reconsider marketing and sale strategies according them. The war is to attract new customers but most importantly to retain the old ones. The companies are tailoring CRM initiatives to increase their customer base. The role customer point is crucial in maintaining long term profitable relationships with the customers. The retailers that focus on delivering a seamless customer experience have a markedly stronger chance of cultivating customer loyalty. The study aims at establishing the need for eCRM

The key is use of eCRM. This is especially important as more consumers leverage the Web for researching and buying products, and engage in cross-channel activities--for instance, buying an item online, but wanting to return it in a brick-and-mortar store. Customers want to have clear visibility into the products and services that are available regardless of what channel they are using,

#### **eCRM**

The eCRM or electronic customer relationship management encompasses all the CRM functions with the use of the net environment i.e., intranet, extranet and internet. Electronic CRM concerns all forms of managing relationships with customers making use of information technology (IT). eCRM is enterprises using IT to integrate internal organization resources and external "marketing" strategies to understand and fulfil their customers' needs.

#### DIFFERENT LEVELS OF ECRM

#### 1. Foundational services:

This includes the minimum necessary services such as web site effectiveness and responsiveness as well as order fulfillment.

#### 2. Customer-centered services:

These services include order tracking, product configuration and customization as well as security/trust.

#### 3. Value-added services:

These are extra services such as online auctions and online training and education.

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#### 4. Self-services:

Self-services are becoming increasingly important in CRM activities. The rise of the Internet and eCRM has boosted the options for self-service activities. A critical success factor is the integration of such activities into traditional channels. An example was Ford's plan to sell cars directly to customers via its Web Site, which provoked an outcry among its dealers network.

#### **NEED foreCRM ine-COMMERCE**

e-commerce is a fast-paced competitive environment and consumers expect a sterling customer service at all times from businesses of all sizes - multi-national or a local dealer; there are no excuses. Having an integrated customer relationship management system that communicates in real-time with the retail management system can help when assisting customers who have placed an order, enquired through the ecommerce website.

In the field of e-commerce email correspondence between business and customer is of the utmost importance. Email communications are often the first, and sometimes the only point of contact, with customers who make purchases through your e-commerce platform. It's important to get these communications spot on and deliver the information that customers expect and require. This will boost the customer's online shopping experience. While retail management platform should provide with automated email correspondence, having an integrated eCRM will store and timestamp all correspondence between your customer and business, and link all relative documents related to sale to customers' records, a process that has many potential benefits.

#### 1. Deliver an excellent customer service

A good retail CRM should store, track and link every correspondence between customer and business – this should include automated correspondence and personal responses from employees. AeCRM, integrated with eRetail software, gives customer service team the ability to quickly locate customers by any field in company'seCRM's customer records (for example postcode, name, phone number or account number) or by transaction number. Once the customer record is found, the team can easily review historical activity, feedback and contact details to bring themselves up-to-date with any particular customer. This is especially useful when handling support calls, assisting with order updates or processing exchanges or returns. Giving customer service team the right eCRM will benefit business by helping it to deliver a sterling customer service. This can in turn encourage word of mouth advertising and return custom.

#### 2. Quick and easy access to all related documents

Customer service managers will always be keen to see that customers are kept up-to-date with the status and process of their orders and enquiries. With a fully integrated retail management platform, eCRM has the ability to pull documents and data from various other business departments, such as supplier purchase orders, goods received notes and picking and packing status notes. Providing documents related to customer orders gives customer service teams the ability to provide customers with transparent information relating to their order. Has the order shipped? When will stock arrive? There's no estimate work if eCRM gives all the data that is needed – and more...

#### 3. Identify where data and communications can be improved

With detailed customer correspondence history in arsenal, one can quickly identify if customers are consistently returning or exchanging products. What does a serial return or exchange customer mean for the business? Returns and exchanges can be costly to deal with, and having more information about these transactions and trends to hand can help give that customer the right information so that they get the product they need first time. By having this detail available on customer records, business can recoup effort simply by understanding where to provide more helpful information to avoid a high rate of returns or exchanges. Similarly, business can understand where certain products need additional customer service care through conversations with the customer to take exact requirements and provide recommendations.

#### 4. Tailor the promotions, cross-sell and upsell

Recommendations are a powerful tool and can often see related items and cross sells listed on product pages across e-commerce websites. Giving sales team the ability to tailor their promotions based on customers' buying history is a sure way of adding value to the shopping experience. Take the example of an Internet tablet retailer; if a customer calls, looking for a particular cable for their iPad, and the advisor finds the correct cable, the advisor can offer to add further value to their shopping experience by asking if they would like any other related products or assistance. This functionality also is ideal for email marketing; by understanding what customers have bought, tailored advertisements or targeted email messages can be sent to customers who have opted in to hear more. This sort of activity is likely to have a good return on investment due to the nature of the targeting.

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#### 5. Help customers complete the basket process

Customers don't always make it all the way the way through the checkout process; they may have been unable to for technical reasons such as loss of Internet connection, they may be undecided about the purchase, or they may simply have just been browsing with no real purchase intent. The beauty of a CRM system integrated with retail platform is that it can attempt to recover these incomplete transactions by contacting the customer via email to offer further assistance with their order. Retail management system and CRM should work together to ensure that email correspondence is sent to customers within a set time period. The email should also be logged in the system so that customers are not overloaded with communications.

#### **OBJECTIVES OF STUDY**

- 1. To understand the concept of eCRM
- 2. To understand major factors that necessitates use of eCRM in e-Commerce.
- 3. To understand the customer's perception towards eCRM provided bye-Commerce.

#### **SCOPE OF THE STUDY**

The study is specific to the customers in Mumbai, who have accessed any e-Commerceservices. The study revolves around customer preference and its related factors like usage convenience, and customization of services.

#### **USAGE CONVENIENCE**

Usage convenience is a series of activities designed to enhance the level of customer satisfaction –that is, the feeling that service has saved time, helped in easy shopping experienceand met the customer expectations.

#### **CUSTOMIZATION LEVEL**

The customization defined as targeting the marketing message to specific individuals byadjusting the message to a person's name, interests and past purchase.

#### **REVIEW OF LITERATURE**

During recent years we have been observed a widespread new appearance of tools and systems as electronic customer relationship management system by which to gain competitive advantage, big companies are now moving to a new orientation as customer centric orientation which has the capability to treat every customer individually and uniquely. Hence those organizations are more successful which guide their goals and opinions towards it and internalize this concept in its own and finally being counted as pioneers. In other words customer based service ascribe figures a company in competitive market at superior and frontier line. Electronic customer relationship management system is an effective tool for presenting on time customer based services and appropriate bed for nourishing the best customer based services as well as smooth road to win the decisive victory in competitive battle. Discussion on electronic customer relationship management is concluded from one of fundamental changes in beliefs and commercial paradigms (Jahanian 1386, 30).

#### **HYPOTHESIS**

"Customer retention is the need of hour for any company, which in new era of e-Commerce has been supported by eCRM"

#### **NULL HYPOTHESES**

- 1. H<sub>O</sub> There is no association between education and eCRM services usage convenience.
- 2. H<sub>o</sub> There is no association between education and eCRM services level of customization.
- 3. H<sub>O</sub> There is no association between income and eCRM services usage convenience.
- **4.** H<sub>O</sub> There is no association between income and eCRM services level of customization.

#### RESEARCH METHODOLOGY

The research is both exploratory and descriptive in nature and relies on both primary and secondary data. Secondary data was collected from the available sources like journals, articles and website. A convenience sample of 500 customers in Mumbai, was selected for the present study. The respondents' were from different age groups, gender, educational backgrounds. A close-ended structured questionnaire was prepared and administered to ascertain their preferences. The data collection method involved direct interview.

For measuring various phenomena and analyzing the collected data efficiently, statistical techniques were used like cross tabulation and Chi-square test.

#### SURVEY RESULTS AND INTERPRETATION

Table 1 Chi-square test

14670 1 011 8 9 4447 0 080							
	Value	Df	Asymp. Sig. (2-sided)				
Pearson Chi-Square	35.312 <sup>a</sup>	2	.000				
Likelihood Ratio	34.637	2	.000				
N of Valid Cases	500						

H<sub>O</sub> - There is no association between education and eCRM services usage convenience.

The Chi-square test result rejects the null hypothesis that there is no association between the two variables. Hence it is proved that there is an association between education and eCRM services usage convenience.

Table 2 Chi-square test

	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	26.102 <sup>a</sup>	2	.000
Likelihood Ratio	27.449	2	.000
N of Valid Cases	500		

H<sub>O</sub> - There is no association between education and eCRM services level of customization.

The Chi-square test result rejects the null hypothesis that there is no association between the two variables. Hence it is proved that there is an association between education and eCRM services level of customization.

**Table 3 Chi-square test** 

Tuble 5 Clif Square test							
	Value	Df	Asymp. Sig. (2-sided)				
Pearson Chi-Square	8.621 <sup>a</sup>	2	.013				
Likelihood Ratio	8.132	2	.017				
N of Valid Cases	500						

H<sub>O</sub> - There is no association between income and eCRM services usage convenience.

The Chi-square test result rejects the null hypothesis that there is no association between the two variables. Hence it is proved that there is an association between income and eCRM services usage convenience.

Table 4 Chi-square test

	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	13.802 <sup>a</sup>	2	.001
Likelihood Ratio	14.460	2	.001
N of Valid Cases	500		

 $\mathrm{H}_{\mathrm{O}}$  - There is no association between income and eCRM services level of customization.

The Chi-square test result rejects the null hypothesis that there is no association between the two variables. Hence it is proved that there is an association between income and eCRM services level of customization.

#### **FINDINGS**

#### Usage convenience

- Total 90% graduates, 70% post graduates and 17% professionals satisfied with eCRM services usage convenience. The higher a person is qualified the higher are the expectations from e-Commerce.
- Total 80% less than 2 lakh earners, 72% 2 to 5 lakh earners and 48% more than 5 lakh earnerssatisfied with eCRM services usage convenience. Higher the income of the respondents' higher gets his expectations from the eCRM services and lower is the satisfaction quotient.

#### Level of customization

- Total 85% graduates, 40% post graduates and 28% professionals satisfied with level of customization. The higher a person is qualified the higher is his/her expectations from e-Commerce.
- Total 83% less than 2 lakh earners, 57% 2 to 5 lakh earners and 36% more than 5 lakh earnerssatisfied

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with level of customization. Higher the income of the respondents' higher gets his expectations from the eCRM services and lower is the satisfaction quotient.

#### SUGGESTIONS

#### Virtual CRM (vCRM) - An extention of eCRM

Channels, through which companies can communicate with its customers, are growing by the day, and as a result, their time and attention has turned into a major challenge. One of the reasons eCRM is so popular nowadays is that digital channels can create unique and positive experiences – not just transactions – for customers. An extreme, but ever growing in popularity, example of the creation of experiences in order to establish customer service is the use of Virtual Worlds, such as Second Life. Through this so-called vCRM, companies are able to create synergies between virtual and physical channels and reaching a very wide consumer base. However, given the newness of the technology, most companies are still struggling to identify effective entries in Virtual Worlds. It's highly interactive character, which allows companies to respond directly to any customer's requests or problems, is another feature of eCRM that helps companies establish and sustain long-term customer relationships.

#### **CONCLUSION**

The research findings have important implications for practicing managers of e-commerce firms. Most of the factors that determine customers' perceived e-CRM value are closely related to the information and knowledge flow between service providers and customers. Simply providing service information to facilitate is not enough to nourish long-term customer loyalty. Today's online customers demand in-depth information and even proprietary knowledge in their purchasing decision-making process with specific customization as per their needs. The most beneficial and appropriate strategy for companies is customer centric guideline. . E-CRM system helps to retain old customers and absorb new customers. One of the most important expectations of people from company is operating speed and decreasing waiting time providing usage convenience. Among competitive space the e-Commercewill be more successful if acquires more loyal customers using eCRM.

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#### **OUTSOURCING AFTER SALE SERVICES: ISSUES AND CHALLENGES**

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#### **ABSTRACT**

It has been globally acknowledged that after-sales service strategies are used as a tool to consolidate sales and enhance customer experience. It helps stakeholders get a better understanding of customer needs and aids clearer positioning of an organization's brand in the market.

After-sales can also be a burden on a company's bottom line due to the increase in operational expenses if it is not planned in an efficient manner. Company should plan the exercise in such a manner that it is well aligned with the core customer problem.

The present study looks at the experiences of three companies - Philips, Micromaxand Volkswagen- that have made radical changes in their after-sales servicemodels over the last two years or so and are seeing the results pouring in. The experiences of the three companies were different - the first two decided to outsource part of the service function while the last decided to spruce up its act by throwing in its might for more in-house work. But all three realized that it would be fatal to let things be.

#### INTRODUCTION

There is such a massive supply of goods and services nowadays both on the internet and on the high street in practically every industry that looking after customers and keeping them happy has become almost a hygiene factor in business today. Most companies understand that and many of them are continuously tweaking their aftermarket strategiesto cut costs and make customers come back for more. Some have outsourced part or the whole function of after-sales to a third party; some others are consolidating them under one roof to make them more efficient.

Enhancing an after sales-service experience is much more than focusing on marketing tools such as brand ambassadors, logos, packaging and unique propositions of product/services. After-sales service is a key influencer in the purchase decision of a consumer. While the customer is getting empowered, companies are spending big bucks to manage their public image.

Negative publicity of brands or products spreads much faster today as customers increasingly share their views on social media platforms. That said, feedback can be used as a tool to help decision making and point out subtle tweaks that may benefit a product. It is also essential in the assessment of the satisfaction level of customers who may have engaged with the brand's after-sales service team.

To reduce investments in service assets and cut operating costs, companies should consider the following steps:

- Identify which products to cover
- Create a portfolio of service products
- Design and manage an after-sales service supply chain to optimise location of resources, utilization and planning for contingencies
- Monitor performance continuously to get customer feedback
- Resolve issues immediately and provide reasonable assurance for better and improved product/services
- Have a customer complaint study to evaluate complaint patterns: This serves as an excellent base for data analytics

Monitor the after-sales service initiatives of competitors and market leaders A little over two years ago, the management of **Philips** noticed a growing number of complaints by customers on social media on how the company managed its aftersales. The customer care department, the management felt, was not equipped to handle the aftermarket queries and the resultant delays in handling customer complaints was putting off many prospective consumers. They struggled with their service centres, customers were dissatisfied with the products and they realised they needed processes that could effectively. Additionally, even while the customer base in Tier-III cities was growing, the management noticed, repeat customers were few and far between simply because there were no service stations to repair the kitchen appliances that were sold in those markets. Given the mess, the top management at Philips felt it would be wise to outsource a major chunk of its

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aftermarket activities while it took time to create a more robust and strong distribution network/centres, complete with after-sales service facilities for the customer. In 2013, it inked a deal with HCL Care, an aftermarket service provider, for pan-India support for its consumer lifestyle products. HCL care currently handles the distribution and service of spares of Philips consumer lifestyle products across India. The service team is jointly trained and developed by HCL Care and Philips. The company has a different service partner to cater to complaints specifically emerging from Tier-II and Tier-III markets. In fact, when Philips acquired Preethi, the south Indian home appliances brand for Rs 350 crore three years ago, the idea was to amass both manufacturing and after-sales facilities of the company.

#### PARTNER FOR PROGRESS

It is good for companies to innovate and bring out newer products and models, but it is then even more crucial for them to have a robust after sales/aftermarket strategy, especially if one is operating in a market that seems to have hit a speed-breaker.

Volkswagen, the German automaker, is making after-sales an integral part of its growth strategy in India. When Volkswagen entered India in 2010, it had an ambitious aim of grabbing around 20 per cent market share in the country by 2018. But the automaker's travails began soon after and it noticed that sales were slipping as customers were complaining about the unavailability of parts. Volkswagen had forgotten one crucial thing: putting the customer in the front seat. After-sales becomes a critical factor for the customer in deciding which car to buy next.

Over the last year or so, Volkswagen has been working on decoding the Indian customer's expectations. For starters, Volkswagen needed to deliver genuine parts to customers, especially in south India. Though a part distribution centre (PDC) was operating out of Gurgaon, near Delhi, (it was set up in 2012, two years after the auto major entered India), customers were fed-up with the time taken for the required parts to be delivered to the authorised service stations of the company.

That problem would be sorted to an extent, when the company's part distribution centre in Bangalore becomes operative from mid-2015. This centre is being set up to expand the company's after-sales and spare parts infrastructure in the country, especially in the southern region, while also reducing the current lead time to reach genuine parts to dealers and service centres. With this development spare parts will reach in 24 hours flat (and not days as was the case earlier) to improve customer satisfaction.

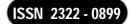
#### **DECREASING SERVICE TIME**

If Volkswagen's aftersales strategy is geared to ensure the company has a better second innings in the Indian market, see what its competitor, and the number one player in the Indian auto industry, **Maruti Suzuki**, did recently as part of its after-sales strategy. When Kashmir valley was hit by floods last September, the company stationed 900 technicians from different parts of the country to quickly restore damaged cars. As part of its dedicated aftermarket customer care initiative, nearly 6,000 vehicles were repaired in a jiffy and a huge cache of spare parts, supplies and equipment were rushed to the state to cut down time taken to repair the damaged vehicles. Experience suggests that a key determinant in the car buying decision is the after-sales network, its accessibility, service costs and the availability of spare parts. Goal should be to run a robust service network that also supports sales.

Maruti Suzuki has a network of over 3,000 service touch points capable of servicing 15 lakh vehicles every month. Then there are concepts like Maruti Mobile Support, under which the customer gets door-step services; Express Service, that aims to complete a service in 90 minutes. Experts say that the most critical part of a good aftersales strategy is addressing the customer complaint in time - at Maruti service centres, workshop service advisors with handheld devices have already reduced the service initiation time from 15 minutes earlier to less than 10 minutes now.

Some of the biggest challenges that make or break an aftermarket strategy for companies is, one, how quickly a complaint is addressed, and two, how quickly spare parts needed to repair products are made available. To be sure, HCL Care, a business unit of HCL Services, has one of the largest and most extensive service networks across the country and provides support services across a range of product categories. As product categories grow, a good after sales strategy is intrinsic not just to industries such as automobiles and electronics but also to several others, including consumer health care, appliances, telecom, durables etc. The customer portfolio is changing and though the failure rate of products has gone down considerably with companies investing in R&D and innovation, competition has increased and so has the complexity of customer demand.

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A smartphone company, for example, acquires a customer for the first time when she is in her teens but can retain her for the next few decades if it plays the cards right. The cost of customer acquisition, according to analysts, is typically 40 per cent of the value of the brand. However, if the customer is a repeat one, the costs come down significantly.

#### **CONCLUSION**

A sure shot way for a brand to get recommended is by having a great after-sales strategy and ensuring that each customer- and her complaint - is important. Outsourcing service to an expert might be a good idea simply because they have stronger data analytics, better facilities to train and equip people and address customer complaints.

For one of smart phone companies it was seen that while two specific models were made obsolete, many customers still came with a request to repair those specific models that they had purchased. The company was informed to give original spare parts of the old models, they kept those with them for the next two years and that allowed them to service customers well. This step also bode well for the company that realised that innovating didn't mean abandoning what was old.

Staying with handphones, similar was the experience of Micromax. While its phones sold like hot cakes, the company realised where it tripped was aftersales. That's when the company decided to increase the number of its partner-managed service centres from 436 in 2013 to 1,250 in 2014. The company also painstakingly put together processes (building its spare part inventory, for example) to reduce the turnaround time to less than seven days - from 15 days earlier.

Whenever consumer spending is slowing down, one needs to defend his market position and maintain his competitive edge. And one great way to do that is by looking after existing customers. They will be the competitors' target market.

So offer better support by being more responsive to their needs and expectations. If possible, throw in low-cost benefits such as discounts or loyalty schemes. Remember, it's cheaper and easier to keep customers than to find new ones.

# RADIO TAXI INDUSTRY: CURRENT SCENARIO, INDUSTRY FORCES AND CHALLENGES IN INDIA

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#### **ABSTRACT**

The radio taxi business has emerged as one of the fastest growing businesses in the Indian transportation sector and the way radio taxi business is running today is highly impressive. It is acting as an intermediary between the customer and the taxi drivers, both customers and the drivers pay the company for the services respectively and that's how companies earn their profit. In this article, the researchers have explored the radio taxi industry in India, how it runs through different business models, industry forces and at the same time the challenges for the existing and the potential players in the industry. There is barely any perceived difference between radio taxi and app based taxi so the elementary difference between the two, is also clarified. As the industry is administered by State Government, the researchers have also illuminated the latest guidelines issued by Government of Gujarat post-Uber case in Delhi.

After the study the researchers found that the industry is at thriving phase due to number of aspects like Influx of tourist, deficiency in public transport facility, swelling demand from corporate sector etc. Users have also started giving more importance to comfort rather than budgeted conveyance. Simultaneously, the industry has to conquer lot of challenges like Safety and security for commuters, manpower dearth and primarily inadequate resources to equal the growing demand.

Key words: App based taxi, Cab, Challenges, Industry forces, Radio taxi

#### 1. INTRODUCTION

The radio taxi business is taking off in a big way in India, with several private operators investing large sums in setting up call centers, acquiring a fleet of new cars, incorporating latest gadgets in their vehicles and hiring trained drivers. Demand for radio cabs is soaring in the metros and large cities as companies, executives, international tourists and affluent Indians opt for travelling in well maintained and modern taxis. They do not mind paying a slightly higher fare to travel in the comfort of air-conditioned taxis. A few entrepreneurs had started the radio cab business in cities such as Delhi and Bangalore about eight years ago, but the service did not catch on. It was only about two years ago, when a handful of operators entered the scene, that the business gained momentum. Today, nearly a dozen operators run efficient radio cab services in cities such as Delhi, Bangalore, Mumbai, Chandigarh, Hyderabad and Pune. They operate under brands such as Meru, Megacabs, Easycabs, Metro Cabs etc.

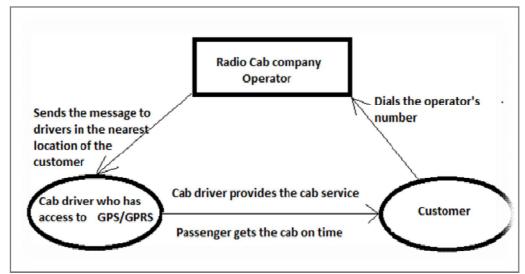
#### 2. WHAT IS RADIO TAXI?

**Radio taxi** is a taxi that operates through radio signals. When a customer calls up the helpline number of the radio taxi, the operator communicates with chauffeur (driver) via radio signals to locate the nearest taxi. The taxi reaches the customer as required at the specific place and time.

#### 3. EVOLUTION OF RADIO TAXIS IN INDIA

Radio Taxi is a wonderful service started a few years back within the metros of India. Together with the expansion in Indian economy there has been a rise in growth for transport services. Since the government has not been able to offer smart conveyance, the majority rely on private transport. What do you do after you are planning to a new city on business or when you need to visit the airport and catch a flight? Either you book a private cab (which was extremely expensive) otherwise you use something else like auto (which is really not comfortable). Thus came Radio Taxi and it is revolutionized the way travel happens in metros.

State Tourism Minister Arvinder Singh Lovely announced on August 29, 2006 that the Delhi Tourism and Transportation Development Corporation would introduce a radio taxi system to promote tourist activities and improve transport facilities for national and international tourists. A brand new air conditioned radio taxi service was launched on December 8, 2006 giving the people a viable option to avail service "anywhere and anytime" round the clock on the roads at the rate of approximately Rs. 15/km.



Flowchart for each entity of the process

Carzonrent India Private Limited, the sole licensee for Hertz International in the country, launched its radio taxi service in Delhi on December 28, 2006. With 250 radio taxis equipped with state-of-the-art technology, "EasyCabs" was the largest city taxi service in the Capital. This was acclaimed as the step towards the reliable transport system by Delhi Transport Minister Haroon Yusuf. It was then, that big players like Metro Cab, Hertz and Mega Cab were issued Letters of Intent by the government. Many State governments are encouraging radio cab services, by issuing permits for fleet operators as they believe that efficient transport services are essential in a modern economy with a fast emerging market.

#### 4. DIFFERENCE BETWEEN RADIO TAXI AND APP BASED TAXI

Only a few consumers may know the difference between what is a regulated service and an aggregator service which operates almost in the same fashion making same claims of reliability, convenience and safety, where the fine print also says, (as taken from the website of aggregator companies) they share no liability for the conduct of their drivers.

Radio Taxi	App-based taxi	
Licensed services in accordance with the laws laid down by state governments	Not licensed	
Operate with CNG vehicles as per the norms laid down by supreme court in 2001	Operate with diesel variant also	
Need to have 24x7 call centre	No need to have call centre. Run through app	
GPS in cabs compulsory	GPS not compulsory	
Alert system is must if someone tries to temper or switch of GPS	No need of it	
Only those drivers who have transport badges issued by the transport department after a mandatory police verification can be hired	Driver verification is a question	
Need to own a cab they operate	Mostly don't have the ownership of cab they operate	

#### 5. RADIO TAXI MARKET IN INDIA

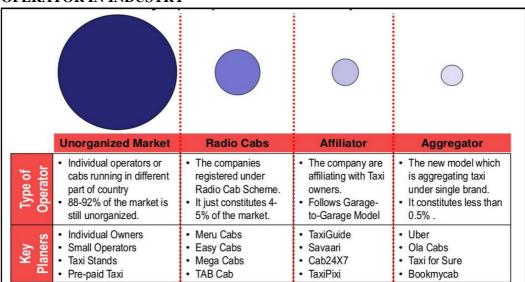
The radio taxi services market in India has huge untapped opportunities. There are very few players in the organized radio taxi services market who have failed to address the market demand due to unavailability of required number of cabs. Today, the radio cab segment is 15,000+ cabs in size with 3 large multi-city operators (Meru, Easy, Mega Cabs) holding nearly 70% market share as well as several smaller operators mushrooming in different cities. – Total operator revenue is estimated to be Rs. 500 Crores, though a better reflection of the industry size would be total revenue earned from customers, Rs. 1,100 Crores at present. It is estimated that India radio taxi services market will reach 30,000 taxis by 2017. The company's such as Meru Cabs has

resulted in 120% increase in Net profit after tax for their equity shareholder which shows the kind of return on investments this newly created market segment is witnessing.

#### **5.1Revolutionary step**

- She Taxi is a fleet of taxicabs, owned and operated by women, for transporting women commuters exclusively. The establishment of the fleet was initiated by Gender Park, an autonomous institution promoted by the Department of Social Justice, Government of Kerala State, India. The services of the fleet was launched on 19 November 2013 in Thiruvananthapuram with a fleet of five cars. 'Safe, secure and responsible' travel for women is the main objective of the service
- ForShe cabs, an exclusive driving service is introduced which is only for women and their families, is a safe option for women and the chauffeur and the customer can converse freely with each other. The passengers are in safe hands as the chauffeurs are well-trained not only in driving but also in martial arts. ForShe is the first fleet of radio taxis driven by women and it caters only to women customers. ForShe cabs are now available at the capital of the country. OAIS (which runs the all woman taxi service ForShe in Mumbai) is highly acclaimed for running cabs for women that are driven by women only. All India Women's Conference (AIWC) and OAIS, a private company; hold the credit of giving training to 20 women cab drivers each in the initial stages.

#### 5.2. TYPES OF OPERATOR IN INDUSTRY



# 6. RADIO TAXI BUSINESS MODELS

The radio cab business functions on various distinct business models. "Radio cab companies" are 100 percentbusiness ventures. There is not any central monitoring system for all the radio cab companies and even the GPS tracking is managed individually by all the companies.

The companies are becoming more popular and profitable by incorporating "the franchise model"

All the cab companies work on the mixed models such as a mixture of:

- a) Company owned Cab
- b) Franchise Model
- c) Attached Vehicle Model
- d) Rent a Cab Model

#### A) Company Owned Cab

In this model, the cab is owned by the company itself and they hire drivers on salary and manage the whole system. It requires very high investment but at the same time it provides an opportunity for effective control.

#### **B) Franchise Model**

In franchise model, the cab driver himself is the cab owner and he associates with the radio cab company to get the brand name and increase his business. The driver pays certain daily/weekly/monthly fee in return to

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the radio cab company. Following this model, the radio cab company gets rid of the responsibility of maintenance of the vehicle, and parking area cost sand the driver has the incentive to keep his vehicle well-maintained. The fee paid by the franchisees (drivers) issued to train and support the franchisees, market and advertise the brand, improve the quality of goods or services, and widen the market. Benefits for the franchisees (drivers) includes the better chances of getting daily business, higher income, power of a known brand and simultaneously having the options of getting the passengersdirectly.

#### C) Attached Vehicle Model

Each cab associated with the cab company is supposed to get at least some minimum business per day as per the company's norms, for which in return they pay certain fee weekly/daily/monthly. The vehicle working under such procedure is called "attached vehicle". The cab company promises some minimum fixed number of trips to the cab drivers for the paid duration. To own the attached vehicle, driver has to sign a contract for certain time period with some fixed amount of investment and he is allotte done of the 500 registered cabs by the company after a completion of the duration.

#### D) Rent a Cab Model

Following information is with respect to "Easycabs", which is more or less similar in other companies also.

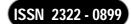
- 1. The cabdrivers have to payase curity deposit of around Rs. 20, 000/- to the company.
- 2. The driver should have a commercial driving license.
- 3. He is supposed to pay a daily rent to the company of approximately Rs.1100 per day for the cab and whatever he earns beyond that belongs to him. He has to pay for the CNG out of his pocket and the maintenance of the vehicle is paid by the cab company itself.
- 4. The monthly income of the cab driver is approximately Rs.25000/-.
- 5. The minimum qualification of the cab driver is matriculation. But in some cases if the driver is experienced enough then eighth pass are also hired.
- 6. If the cab driver wants to avail a leave for a day or so, he is still liable to submit the fee of Rs.1100 to the cab company and same applies on weekends too. If he happens to take a leave on some particular day, his cab is assigned to somebody else and on returning he is reassigned a cab which might or might not be the same.
- 7. Therefore the cab drivers have the incentive to work as much as they can even though there is no compulsion from the cab company. On an average they work for 12-15 hours a day. The cab driver did not mention any problems posed by the cab company.

#### 7. LATEST GUIDELINES FOR RADIO CAB OPERATORS BY GUJARAT GOVERNMENT

Gujarat government issued guidelines for radio cab operators as part of immediate action after "Uber case" in delhi.

- Have to mention driver's name, license number, base number, mobile number, owner's name and helpline number on left side behind back of driver's seat.
- The attachment of the Global Positioning System has to be operator's office or with the police control room as prescribed by government.
- Police verification of driver is compulsory.
- Driver has to wear uniform and carry identity card.
- Driver cannot keep vulgar and discourteous ringtone in his mobile.
- Driver cannot wear dark/black spectacles from which his eyes are not visible.
- Operators have to give all the information related to vehicles, company and driver to the police station.
- Vehicles less than 750 CC engine capacity cannot be used as a cab.
- Have to install electronic rent meter with printer.
- Operator has to arrange for further trip immediately if cab breakdowns in between.

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#### 8. INDUSTRY FORCES FOR RADIO TAXI INDUSTRY IN INDIA

- **a. Increase in disposable income and transportation related expenses:** The disposable income and spending on transport related expenses of Indian consumers have increased. On an average 3-5% of total income is spent on public transport facilities. People are also getting conscious about their comfort which also works in favor of taxi cab market.
- **b.** Lack of Public Transport Facilities: Public transport facilities are not sufficient at many places and Gujarat is also suffering from it. Moreover luxurious and comfortable transportation facilities are hardly available. Many consumers are ready to pay higher for the comfort which is a booster for radio taxi market.
- **c. Influx of Tourist:** Number of foreign visitors in India is growing on an average by 10% (from 5, 98,000 in Oct'13 to 6,56,000 in Oct'14) which is still expected to rise. In the case of Gujarat the numbers are even higher. This further boosts to the demand of taxi cabs.

#### d. Demand from Corporate Sector

- Existing and upcoming industrial hubs and corporate parks on the outskirts of metro and tier-1 cities such as Delhi, Mumbai, Bangalore and Chennai are creating significant growth opportunities for radio taxi operators. Moreover, young working class, in particular, opts for radio taxis due to enhanced convenience and safety.
- IT &ITeS concerns that have picked up and drop facility require a constant supply of cabs at their disposal.
- Radio cabs derive a fair amount of revenues from this facet of supplying cab to these concerns.
- Revenues get translated into a fixed income in this aspect wherein demands for radio cabs are always constant.

#### e. Change in Consumer Mindset

- Customers are increasingly shifting from traditional black & yellow taxis to modern Radio Taxis equipped with AC, GPS, 24×7 customer support, electronic fare meter and other tangible and intangible features.
- Many consumers put precise calculation like owning a car is costlier than hiring a taxi. There logical arguments for the same is, they save on car EMIs, maintenance and insurance, driver salary, petrol, parking charges and use the time during the journey to read the latest news on their gadgets.

#### f. Economic slowdown acts as an indirect stimulant

This has given growth to the radio cab industry because people are hiring more taxis. A lot of people don't want to use their own cars.

#### 9. CHALLENGES FOR RADIO TAXI INDUSTRY

- **a. Differentiation**: The biggest challenge is to distinguish themselves from app-based taxis because hardly few customers and even media are aware about these differences. They perceive both in the same way.
- **b. Safety & Security:** In spite of many marketing commitments from different operators, still the safety and security of passengers is a big challenge to be fulfilled.
- c. Less remuneration to drivers as compared to App based taxis: Cab drivers whose incomes had dwindled due to the widespread ban on taxi aggregators in Delhi were also unwilling to join radio taxi companies that cannot match the compensation offered by the venture-funded taxi app firms. The internet companies transfer money in a week and even give incentive per trip.
- **d. Finding Drivers:** It is becoming extremely challenging for radio taxi operators to equal the growing need of drivers because of mounting competition due to rising demand of taxi cabs. Comparatively less remuneration to drivers and compulsory police verification of drivers makes this task even harder.
- **e.** Legal boundaries getting tougher: The legal boundaries are also getting tougher for taxi services due to Uber case of Delhi.
- **f. Insufficient supply to match growing demand:** 30-50% revenue of radio taxi market comes from airport transfers still the availability of cabs to fulfill this demand is not sufficient.

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#### 10. CONCLUSION

The business is booming in a huge way in India with versatile private operators both national and international investing tremendous money in setting up the call centers, acquiring fleets of new cars, and incorporating latest technologies in their vehicles. It has proved to be the win-win situation for government, radio cab companies, chauffeurs and the most importantly passengers.

Change in the people's mindset has been the greatest factor in the growth of radio cab market. But there are certain other aspects which are acting as the obstacles in widening the radio cab market such as high fares, Telecom Regulatory Authority of India (TRAI) caps on the SMS and the unavailability of parking area. Radio taxi companies have to strike a perfect balance between growth drivers and challenges to move ahead.

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