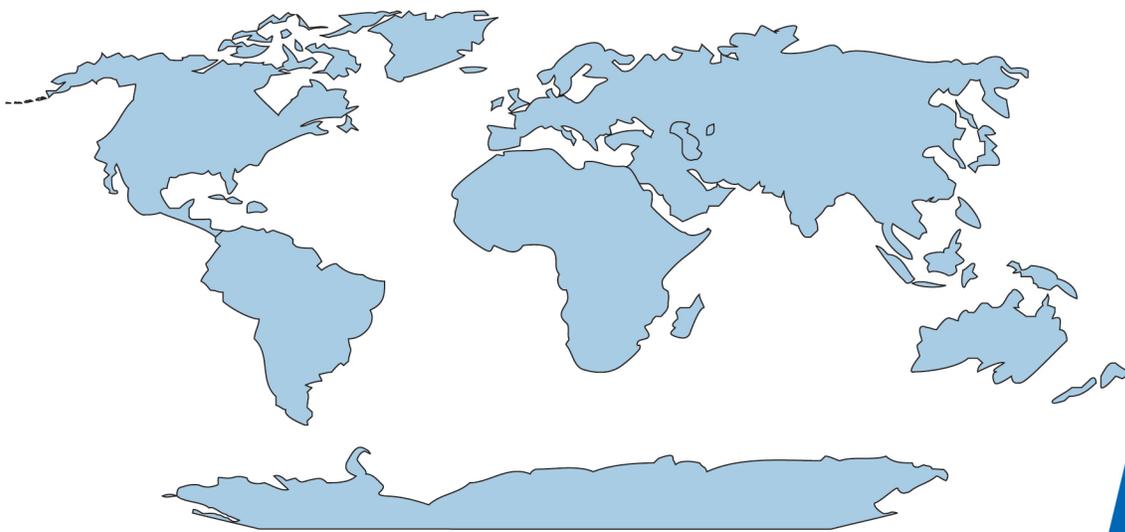


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IN MANAGEMENT & SOCIAL SCIENCE**



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From the Editor-In-Chief's Desk

We are happy to present the October - December 2013 issue of International Journal of Research in Management & Social Science. Our Journal has attained two major land marks, viz.,

- *Award of ISSN No. 2322 - 0899 from NISCAIR, New Delhi.*
- *Review by external referees comprising eminent scholars.*

In this volume, we have published fifteen research papers on different aspects of business and research. The articles presented in this issue address a variety of contemporary issues. We would like to express our gratitude to our esteemed contributors for their scholarly contributions to the Journal. Appreciation is due to the Editorial Advisory Board, the panel of Referees and the Management of the Institute for their constant guidance and support. Many faculty members from the Institute provided the necessary editorial support that resulted in enhanced reader friendliness of various articles, we are extremely thankful to all of them. We are also thankful to those who facilitated the designing of this Journal. We shall continue our endeavor to harness the intellectual capital of scholars and practitioners of Management and Social Sciences and present to our valuable readers.

Hope, the perceptive readers would find this issue worthwhile. We welcome your contributions in terms of research papers and candid feedback.

Dr. Tazyn Rahman
Editor - In - Chief

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MAXIMS OF BUZZ: A STUDY ON IMPACT OF WORD OF MOUTH MARKETING

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ABSTRACT

“Let’s give them something to talk about.”-Bonnie Raitt

These lyrics by Bonnie Raitt actually capture the true essence of buzz marketing. People love to talk to each other about various things from their everyday life; from trivial things like clothes, weather, food, TV shows, and football; to more profound matters like politics, climate changes, family, and healthcare. People all over the world are talking about various products and services, both off-line and on-line. Hence buzz marketing is the promotion of a company or its products and services through initiatives conceived and designed to get people and the media talking positively about that company, product or service. Also it captures the attention of consumers and the media to a point where talking about the brand, product or company becomes entertaining, fascinating, and newsworthy. This research paper explores the various myths associated with buzz marketing and analyses the characteristics of it and under what conditions it exists, if it in fact exists at all, and prevails in the advertising industry. Creating buzz sounds very tough, but it can be made easy if you know which button to push to generate buzz. In addition, it explores the most effective button to create buzz or word of mouth out of the six defined buttons by Mark Hughes compared to traditional methods. This was investigated, along with a number of other questions, by conducting a survey with students and professionals using a self administered questionnaire. Buzz marketing is perceived to have a positive impact and its use in general is considered to be of great value. It does not necessarily have to travel through unconventional channels; buzz can in fact often be stimulated more effectively using traditional channels. A company will probably not reap the full benefits of buzz marketing until they are able to reject the myths associated with it and to accept the reality of it. The paper also provides various recommendations to be used by the company if they want their customers to create positive word of mouth for them and minimize the negative word of mouth.

Keywords: Buzz Marketing, Advertising, Media, Products, Communications.

1.0 INTRODUCTION

Marketing communications is a term that is gaining foothold over the term promotion, and is now preferred among academics and practitioners. Therefore, another way of describing one of the key areas of marketing is using marketing communications. An underlying reason behind this is that the word *promotions* are also used as a shortened version of *sales promotions*, which is actually only a part of what marketing communications represents. Additionally, all elements of the marketing mix have an impact on marketing communications. Even though these two terms have the same fundamental meaning and may still be used interchangeably, marketing communications can be considered as a slightly wider concept than promotions. With the proliferation of social on-line communities, e.g. Facebook and MySpace, people are more connected now than ever before and the need to communicate with other people around us, or even far away, is quite strong.

This might lead one to think that marketers might have easier access to people but the reality is that it is getting harder and harder for companies to communicate with consumers because the communication channels have become so dispersed and the audience is now more fragmented than ever. The challenge

for modern marketers now is to integrate these multiple forms of communications strategically to be able to reach and influence target markets today. However, these changes do not only empower the consumer, since it has also enabled marketers to obtain more detailed customer information and equipped them with new tools to interact with customers, leading to more focused marketing to better defined target audience. The possibilities for a marketer to plan marketing communications activities are almost endless and therefore it wouldn't come as a surprise if many marketers would mainly focus on the most traditional platforms of the communication mix, those that keep them in their comfort zone.

1.1 Word of mouth

According to various marketers, word of mouth is a really powerful and important force that shouldn't be underestimated. Companies and marketers are becoming more aware of the benefits of having word of mouth communications incorporated into their marketing communications mix. Therefore they are seeking ways to harness this phenomenon in order to facilitate consumer interaction with each other and themselves, hopefully in a positive manner. In order to get a clear understanding of the meaning of word of mouth from a marketing perspective, set out to examine and analyse academic writing about the phenomenon. After extensive research he came to the conclusion that the definition marketing academics seem to have reached a consensus on is:

“Oral, person-to-person communication between a receiver and a communicator whom the receiver perceives as non-commercial, concerning a brand, a product or a service.”

There are three essential parts to this definition: word of mouth relates to *interpersonal communication*, which sets it apart from mass communication and other impersonal communication channels; the communicators are perceived to be *non-commercial*, i.e. receive no incentives from a company and should therefore be unbiased, credible and trustworthy; the message revolves around *commercial entities*. Putting it more simply, word of mouth is commercial talk among consumers that are not perceived to be associated with marketers. Today, with the help of information and communication technologies, the landscape has changed and in order to communicate with one another people no longer have to do it in person, rather they can exchange information through various platforms that do not require actual talking. Taking this into account, it is safe to assume that it is time to revise the first part of the definition to reflect a broader meaning that would then encompass these changes in the communication landscape.

In addition to these findings, it was obvious from the research that WOM need not necessarily be a positive one, praising the brand, product or service. Positive WOM (PWOM) has been acknowledged as a *"product-related information transmitted by satisfied customers"*, whereas negative WOM (NWOM) is conceptualized as an interpersonal communication between consumers concerning a dissatisfying experience with a brand, product or service. These two terms are considered to be identical in nature, just differing between negative and positive emotions. However, some evidence indicates that NWOM has more effect than PWOM). This all boils down to keeping your customers satisfied.

There are two prominent definitions of word of mouth where it is possible to define the concept with and without communication. One of these is a communication not originated from the sender that is passed on to others following the original marketing communications messages that have been transmitted. The other one looks at word of mouth as a broader concept. WOM communications is then defined as: Literally, verbal communication between individuals. Word of mouth is typically a part of the total process of marketing communications in which messages are transmitted from the sender to many receivers. Word of mouth communications are the conversations held between the receivers, whether or not all members received the original marketing communication. Opinion leaders and other reference group members may have a strong influence on the effectiveness of the original intended message. The reality that companies

face is that people will discuss its products whether they like it or not, so the challenge for marketers is to find ways to influence the talk through credible channels. However, some claim that word of mouth is a natural thing that cannot be controlled or manipulated using marketing tactics. They are in a sense right about the fact of word of mouth being a natural phenomenon, but marketers have actually found ways to influence it using various methods and channels.

1.2 Buzz marketing

Why do people have this need to talk to each other constantly? It's in our nature to talk, since information sharing is an effective survival mechanism for various animals and also people. He takes an example of an experiment that was conducted by scientists, where a raven that discovers a carcass of a cow in the woods and instead of taking a bite he flies away instantly only to return several days later with dozens of other ravens. While this amount of food could have fed this single bird throughout the winter by keeping it a secret from others, the raven always flew away to get his friends. Other factors that Rosen mentions are: by asking others for information people can reduce risk, cost and uncertainty; people talk to connect; people talk because it makes economic sense; people talk to relieve tension. Companies are exceptionally vulnerable to this last part, since unhappy customers tend to ease their internal tension by getting even with the company and therefore creating negative buzz as mentioned.

1.3 Stimulating word of mouth using buzz marketing

Buzz marketers have many methods in their toolboxes to create buzz for products in order to generate word of mouth communications between consumers. In examining the respective literature for buzz marketing, the authors found two academics and practitioners that have had much influence on the subject matter. Whether your customers are individual consumers, corporate customers, prospective audience members or potential contributors, three things are true:

- **You need to deliver a compelling message to your prospective customer**
- **You need to convert your customer from prospective to actual**
- **You need every customer to be a source of positive buzz about you**
- **Worker Bees' mission is to help you meet all three needs.**

Buzz marketing stands in direct contrast to traditional television or radio advertising -- the classic 'mass marketing' approach that is based on the premise of broadcasting a message as widely as possible, assuming that this is the best way to reach the largest possible number of interested consumers. Buzzing, which might also be described as 'micro-marketing,' assumes that a person-to-person marketing message is much more powerful because it is so personal -- and that it could potentially reach more people than a broadcast message, if only it is buzzed about in great quantity by people who have very long contact lists and no qualms about promoting products to anyone who will listen. That's why Vespa turned to buzz marketers to ride its scooters around town and talk up their 'cool factor' when they debuted, and why Ford loaned its new Focus cars out to buzz agents for the first six months of its launch. In each case, companies looked for ways to gain high visibility and personal recommendations through buzz. "What people have to realize is that it's not a strategy; it's a tactic. That's an important distinction,". "Buzz marketing is one of many elements that a company should be doing when trying to get a new product out to market. It's a specialized tactic. Also the marketers at Mahindra Farm Equipment realized that they had to identify and get progressive farmers and opinion leaders to interact with the brand. And, they did this by creating an event around the product that encouraged interaction. When the company launched its Mahindra Super Turbo 595DI tractor it faced the task of bringing the message of new technology and higher productivity to the target audience. It gave test rides and sold the product to opinion leaders, who used tractors over

considerable periods of time. This activity was carried out in a sustained manner in Punjab, Haryana and Maharashtra and as a result it has become the leading brand.

Asian Paints has tried it differently in the rural markets -- not just with rural campaigns or an event, but by participating in an ongoing activity. The objective was to create 'reference sites' and the company achieved this by opting for high visibility spots such as the village head's home, the Panchayat office so that these sites become the talking point for the community

1.4 The Only Thing Consumers Trust Is Personal Experience

In this post-dot-com, post-Enron world, we are facing a crisis that stems from the lack of trust with which consumers view companies and their brands, especially in relation to the marketing efforts behind them. Beyond that, we have cast a suspicious eye on the media, which have taken perhaps more than their fair share of bashing in the past decade.

If we can't trust the message and we can't trust the messenger, where do we turn? More and more people are turning to each other—and to themselves.

In an attempt to get unbiased and accurate information, consumers have formed communities and help groups online to share information on brands in all manner of industries. Whether you're looking to buy a car, a vacuum cleaner, or a CD, there are people online eager to tell you about their own experiences with the product. At the same time, people, and that includes children, are becoming far less susceptible to the power of celebrity endorsers or other influencers who are seen as shills for a brand. Rather than believe that Celebrity X actually drinks discount Brand Y—or that it's good simply because he or she says it is—we watch what people we admire are eating and drinking and wearing. Why have celebrities lost their power as endorsers? For one thing, we know too much about them—and they've disappointed us too often. This shouldn't be taken to mean that celebrities will cease to influence how we wear our hair or what shoes we find appealing. The distinction is that the influence will be more subtle—and even more powerful once interactive TV opens the door for contextual commerce. Like the wristwatch your favorite character on Friends is wearing? Click on it and it's yours, conveniently charged to your store credit or debit card. This scenario has a lot less to do with celebrity worship than with admiring a style or look put together by professionals.

1.5 Viral marketing

With the proliferation of the Internet, buzz marketing has been taken into new and interesting directions over the years as marketers work hard on harnessing this dynamic medium

One of the pioneers of viral marketing was the Kolaveri di', a song from the Tamil movie '3', sung by popular Tamil movie star Dhanush has become an internet rage

Viral marketing is capable of generating high product credibility at low cost. The advertising technique is great in the endeavor of making a particular product or service available across physical boundaries with dedicated Internet marketing and shows high efficiency in generating the opportunity for consistent promotions and commissions.

1.6 Ethics of buzz marketing

Buzz marketing is rather frequent connected with an ethics debate. Basically, the ethical spectrum regarding buzz marketing ranges from total deception to full transparency. It is for example unethical to

pay people to talk about (or promote) a product without disclosing that they are working for the company. Contradictively, the more transparent a buzz marketing action is the less effective it will be in creating buzz. *“Artificial word-of-mouth marketing is dishonest and ineffective. Word-of-mouth marketing must be based on the honest opinions of real people”* Suggested is to make regulations for when and how a brand’s or company’s involvement should be disclosed. Importantly, word-of-mouth marketing is also self-regulating: those acting unethically are invariably ‘outed’ and get word-of-mouth marketing against them. The difficult job in this seems to create an industry definition that covers the various kinds of practitioners in this field and the parameters within which they operate.

2.0 REVIEW OF LITERATURE

Study by **Henry (2003)** on Buzz marketing for teens revealed that the requirements of a buzzable brand: invasive but invited, individualized, experiential, provocative, conspiratorial, connective and creative. On teen Perception towards buzz marketing **Ahuja et al., (2007)** found out that teenagers like being buzz agents, they view this role as a job, they usually conceal the fact that they are buzz agents, and they generally see no ethical dilemma in not revealing their status. Study on WOM Marketing by **Fang et al., (2011)** found WOM to be more influential and more widely spread for services than for goods. In addition, although the level of receivers' perceived risk (PR) is generally assumed to be a significant antecedent of WOM influence (WI). Research by **Fergusson (2008)** finds that word-of-mouth or viral marketing efforts are not always a sure bet. But a well-placed, calculated and provocative campaign can spark a firestorm of buzz that sometimes can be effective for years in non-terminal new mediums like the internet. Two forms of viral marketing were identified, “random” and “placed virals” by **Cruz & Fill (2008)** on their study on viral marketing evaluation framework that identifies three key objectives and their particular evaluation criteria. Financial objectives and the need to measure the return on investment were identified as previously undocumented key issues. According to **Needham (2008)** importance of co-creation is vital in diffusion. Co-creation implies that marketing happens with young people rather than it being directed at them. Research on factors to understand word of mouth effectiveness by **Sweeney et al., (2008)** suggest that the potential for WOM to impact on perceptions or on actions depends on the nature of the sender-receiver relationship, the richness and strength of the message and its delivery, and various personal and situational factors. **Lang (2011)** studies the word of mouth Communication across service encounters and analyzed that in certain types of service encounters high levels of satisfaction lead to greater WOM activity than low levels of satisfaction positivity bias and this relationship is reversed in a second type of service encounter negativity bias. A Research on company sponsored message by **Magnini (2011)** analyzed that using a different platform, some service firms may utilize brand pushers because the social risk inherent in some service purchases leads consumers to rely more heavily on perceived social norms. Moreover, brand pushers are able to offer vivid message content in a flexible format. On customer response to word of mouth communication **Coulter & Roggeveen, (2012)** found that closeness to the source of a persuasive communication may have less of an impact on message acceptance in online social networks compared to traditional WOM. Studies on generating Positive word of Mouth Communication by **Dagger et al., (2011)** highlight the important role of relationship benefits in driving customer perceptions of technical, functional and relationship quality. While confidence, social and special treatment benefits drive technical and functional quality, it is only confidence benefits that drive relationship quality. **File et al., (1992)** states that the intensity and variety of client participation during the service delivery process is predictive of positive word-of-mouth and referrals. The Findings of a study on Moderating Effect of Word of mouth on Relationship Marketing by **Lin & Lu (2010)** corporate image has a significantly positive influence on trust, and commodity image has the most significant influence on trust, followed by functional image and institution image; structural and financial relationship marketing has significantly positive influence on trust.

3.0 RESEARCH METHODOLOGY& DESIGN

A study on *Buzz Marketing* is an attempt to understand market in a new way .It is not just a communication channel.As it is untrue that the sun revolves around the earth, marketing does not really revolve around advertising, selling, and promotions.Word-of-mouth has become the new center of the marketing universe. Word-of-mouth promotion has become an increasingly potent force, capable of catapulting products from obscurity into runaway commercial successes. But to harness the considerable power of buzz, companies must reject five common myths. Also this study showcases the strongest button to be pressed by the company to create buzz in media industry out of the six defined buttons.

Type Of Research	Quantitative
Type Of Research Design	Exploratory Cum Descriptive
Universe	All The Students And Professionals In Delhi
Population	All The Students And Professionals In North Delhi
Sample Size	100
Sample Unit	Students And Professionals
Sampling Technique	Convenience (Non-Random)
Tool Of Data Collection	Self Designed Questionnaire
Tool Of Data Analysis	Z Test, Mean Analysis

3.1 Methods for collecting primary data

Primary data was collected through the survey done using self administered questionnaire on the students and professionals of various B-schools situated in Rohini.

3.2 Statement of problem

Word-of-mouth promotion has become an increasingly potent force, capable of catapulting products from obscurity into runaway commercial successes. But to harness the considerable power of buzz, companies must reject five common myths. Also this study showcases the strongest button to be pressed by the company to create buzz in advertising industry out of the six defined buttons.

3.3 Rationale of the study

A study on Buzz Marketing is an attempt to understand market in a new way .It is not just a communication channel.As it is untrue that the sun revolves around the earth, marketing does not really revolve around advertising, selling, and promotions .Word-of-mouth has become the new center of the marketing universe

3.4 Objectives of the study

- To empirically analyze the various myths associated with buzz marketing.
- To identify the strongest button to create buzz out of six defined buttons by Mark Hughes.

3.5 Scope of the Study

This study is confined to only media industry and the result may vary if the same myths are analyzed for film industry whereas the six buttons to create effective buzz so studied are applicable to both media and film industry.

3.6 Limitations of the Study

- The study is confined to a single industry. No comparison has been made with the other industry.
- The study was restricted to North Delhi region only due to time constraint. Therefore, the sample taken was small
- The research was dependent on the information provided by the respondents which may be insufficient and incomplete.
- The projection is purely based on primary collection of data through questionnaires, so there may be chances of human error and biasness.

4.0 HYPOTHESIS

Ho 1: All the Respondents are having same perception about the fact that only outrageous or edgy products are buzz-worthy.

Ha 1: All the Respondents are having different perception about the fact that only outrageous or edgy products are buzz-worthy

Ho 2: All the respondents think that Buzz just happens.

Ha 2: All the respondents do not think that Buzz just happens

Ho 3: All the respondents are having same perception that best buzz starters are your best customers.

Ha 3: All the respondents are having different perception that best buzz starters are your best customers.

Ho 4: All the respondents are having same perception that to profit from buzz, you must act first and fast.

Ha 4: All the respondents are having different perception that to profit from buzz, you must act first and fast

Ho 5: All the respondents are having same perception that the media and advertising are needed to create buzz.

Ha 5: All the respondents are having different perception that the media and advertising are needed to create buzz.

Ho 6: All the factors are equally influential in creating buzz

Ha 6: All the factors are not equally influential in creating buzz

Ho7: There is no difference in perception of students and professionals for the most influential button to create buzz.

Ha 7: There is difference in perception of students and professionals for the most influential button to create buzz

5.0 ANALYSIS & INTERPRETATION

1-GENDER – The study constituted 55% Male and 45% of respondent as female

2- AGE – Majority of the respondents were in the age group of 20-25.

3- PROFESSION – Majority of the respondents were students.

HYPOTHESIS TESTING

Ho 1: All the Respondents are having same perception about the fact that only outrageous or edgy products are buzz-worthy.

Ha 1: All the Respondents are having different perception about the fact that only outrageous or edgy products are buzz-worthy.

Test applied- Z-test

$$z = \frac{(\bar{x} - \mu)}{\frac{\sigma}{\sqrt{n}}}$$

Where

\bar{X} = Sample mean, μ = Hypothesized mean = Standard deviation n = Number of observations

S.No	Hypothesized Mean	Sample Mean	No. of Observations	Standard deviation	Z _{cal}	Z _{tab}	H ₀
1	20	15.7	100	1.92	-20.77	-1.96	Rejected

Interpretation- Here for H₀1 - Z_{cal} < Z_{tab} therefore we will reject the null hypothesis thereby accepting the alternative hypothesis Ha 1 which says that all the Respondents are having different perception about the fact that only outrageous or edgy products are buzz-worthy.

Ho2: All the respondents think that Buzz just happens.

Ha 2: All the respondents do not think that Buzz just happens

Test applied Z test

$$z = \frac{(\bar{x} - \mu)}{\frac{\sigma}{\sqrt{n}}}$$

S.No	Hypothesized Mean	Sample Mean	No. of Observations	Standard deviation	Z _{cal}	Z _{tab}	H ₀
1-	17	13	100	2.03	-18.16	-1.96	Rejected

Interpretation

Here for H₀₂ - Z_{cal} < Z_{tab} therefore we will reject the null hypothesis thereby accepting the alternative hypothesis Ha 2 which shows that all the respondents do not think that buzz just happens on its own.

H₀ 3: All the respondents are having same perception that best buzz starters are your best customers.

H_a 3: All the respondents are having different perception that best buzz starters are your best customers.

Test applied Z test

$$z = \frac{(\bar{x} - \mu)}{\frac{\sigma}{\sqrt{n}}}$$

S.No	Hypothesized Mean	Sample Mean	No. of Observations	Standard deviation	Z _{cal}	Z _{tab}	H ₀
1-	21	17.8	100	2.15	-13.8	-1.96	Rejected

Interpretation

Here for H₀₃ - Z_{cal} < Z_{tab} therefore we will reject the null hypothesis thereby accepting the alternative hypothesis Ha 3 which shows that all the respondents are having different perception that best buzz starters are your best customers.

H₀ 4: All the respondents are having same perception that to profit from buzz, you must act first and fast.

H_a 4: All the respondents are having different perception that to profit from buzz, you must act first and fast.

Test applied Z test

$$z = \frac{(\bar{x} - \mu)}{\frac{\sigma}{\sqrt{n}}}$$

S.No	Hypothesized Mean	Sample Mean	No. of Observations	Standard Deviation	Z _{cal}	Z _{tab}	H ₀
1-	22	15.6	100	2.13	-27.6	-1.96	Rejected

Interpretation

Here for H₀₄ - Z_{cal} < Z_{tab} therefore we will reject the null hypothesis thereby accepting the alternative hypothesis Ha 4 which shows that all the respondents are having different perception that to profit from buzz, you must act first and fast.

Ho 5: All the respondents are having same perception that the media and advertising are needed to create buzz.

Ha 5: All the respondents are having different perception that the media and advertising are needed to create buzz.

Test applied Z test

$$z = \frac{(\bar{x} - \mu)}{\frac{\sigma}{\sqrt{n}}}$$

S.No	Hypothesized Mean	Sample Mean	No. of Observations	Standard deviation	Z _{cal}	Z _{tab}	H ₀
1-	18	12.83	100	2.03	-23.5	-1.96	Rejected

Interpretation

Here for H₀₅ - Z_{cal} < Z_{tab} therefore we will reject the null hypothesis thereby accepting the alternative hypothesis Ha 5 which shows that all the respondents are having different perception that the media and advertising are needed to create buzz.

Ho 6: All the buttons are equally influential in creating buzz

Ha 6: All the buttons are not equally influential in creating buzz

S.No	No. of Observations	Button	Minimum	Maximum	Mean	STDEV
1	100	SECRET	1	3	1.57	0.639926
2	100	TABOO	1	3	2.30	0.749917
3	100	HILARIOUS	2	5	3.92	0.875067
4	100	REMARKABLE	3	5	4.56	0.672516
5	100	UNUSUAL	2	5	3.90	0.905866
6	100	OUTRAGEOUS	1	5	2.22	0.800247

INTERPRETATION

Here the mean of all the respondents comes out to be different for different buttons which showcases that all the buttons are not equally influential in creating buzz or word of mouth in the advertising industry thus rejecting Hoand accepting the alternate hypothesis that all buttons are not equally influential in creating buzz. This says that all buttons are equally influential in creating buzz. The remarkable button has got the highest mean followed by hilarious and unusual. However the secret element in an ad is considered to be unimportant supported by lowest mean value.

Ho7: There is no difference in perception of students and professionals for the most influential button to create buzz.

Ha 7: There is difference in perception of students and professionals for the most influential button to create buzz

STUDENTS

S.No	No. of Observations	Button	Minimum	Maximum	Mean	STDEV
1	60	SECRET	1	3	1.537	0.678757
2	60	TABOO	1	3	2.164	0.751206
3	60	HILARIOUS	2	5	3.985	0.816183
4	60	REMARKABLE	3	5	4.671	0.576653
5	60	UNUSUAL	2	5	3.955	0.964128
6	60	OUTRAGEOUS	1	5	2.134	0.812949

PROFESSIONALS

S.No	No. of Observations	Button	Minimum	Maximum	Mean	STDEV
1	40	SECRET	1	3	1.625	0.498779
2	40	SEX	1	3	2.25	0.678952
3	40	HILARIOUS	2	5	3.575	0.925255
4	40	REMARKABLE	4	5	4.625	0.506061
5	40	UNUSUAL	2	5	4.025	1.009709
6	40	OUTRAGEOUS	1	5	2.375	0.878608

INTERPRETATION

Here after analyzing the mean of both the students and professionals the remarkable button stands out to be most effective in creating buzz ie there is no difference in the perception of the students and professionals for the most effective button to create buzz thus accepting the null hypothesis and rejecting the alternate one which says that there is difference in perception of students and professionals for the most effective button to create buzz.

6.0 MAJOR FINDINGS AND DISCUSSIONS.

- **MYTH 1: Only outrageous or edgy products are buzz-worthy.**
- **REALITY-1** The most unlikely products, like prescription drugs or daily routine products can generate tremendous buzz. Eg –biscuits, shampoos etc.
- **MYTH 2: Buzz just happens**
- **REALITY-2** Buzz is increasingly the result of shrewd marketing tactics in which companies seed a vanguard group, ration supplies, use celebrities to generate buzz, leverage the power of lists, and initiate grassroots marketing.
- **MYTH 3: The best buzz-starters are your best customers.**
- **REALITY-3** Often, a counterculture has a greater ability to start buzz.eg beauticians suggesting products to customers who themselves would not have ever used it. Also the audience generating negative word of mouth create buzz but are not your best customers.
- **MYTH 4: To Profit from buzz, you must act first and fast**
- **REALITY-4** Copycat companies can reap substantial profits if they know when to jump in-and when not to. eg .olay’s seven signs of aging and ponds age miracle and ME 2 products.
- **MYTH 5: The media and advertising are needed to create buzz.**
- **REALITY-5** When used either too early or too much, the media and advertising can squelch buzz before it ignites. Buzz-hungry companies need to refocus their marketing lenses on consumer-to-consumer communications be they verbal, visual, or digital. That's where buzz is born. In other words, to generate buzz, the objective is not to besiege consumers with advertising but to somehow encourage them to talk about a product or to use that product so that it's noticed by other people. Mcvities biscuits
- Out of the six defined buttons by Mark Hughes to create buzz in advertising industry the most important one is which makes a mark in viewers’ mind ie The Remarkable button.
Eg “ *India ho gaya hai 3G pe busy*” by Idea or” *jaago re* by TATA TEA”

7.0 CONCLUSION

People like to share their experiences with one another-the restaurant where they ate lunch, the movie they saw over the weekend, the computer they just bought-and when those experiences are favorable,the recommendations can snowball, resulting in runaway success. But ask marketing managers about buzz, and no one will simply shrug their shoulders. It's not just serendipity, they say, or sheer luck.Buzz is the stuff of marketing legends. To profit from buzz marketing a marketer should not leave any stone unturned to reject the myths associated with buzz marketing. Also depending upon the resources possessed, a company should accordingly push the buttons to create buzz acceptable in their industry.

8.0 RECOMMENDATIONS

Tantalize with scarcity and mystery. Companies have often tantalized consumers by offering products of scarce resources, e.g. rare baseball cards, and/or withholding some information concerning a product resulting in a mystery surrounding that particular product. In situations like these, consumers might perceive the product to be of a higher value or importance and as a result they have a stronger urge to obtain the product.

Build anticipation. Good stories always contain a strong element of anticipation. Using this approach, marketers strive to whet people's appetites in order to get them talking and thus build up anticipation. Here you won't get very far by withholding essential information.

Sneak preview to highly influential opinion leaders There are also people that are considered to be highly influential opinion leaders, members of the press, celebrities, politicians, that can reach millions of people through mass media and influence their actions, e.g. Oprah Winfrey. Amitabh Bachchan

Be a little outrageous. Present time noise level is astonishingly high, people are easily distracted by the overload of information they encounter every day. Hughes has already established above the fact that outrageous stories always work, so they have actually a better chance of being heard than quiet ones.

Give them a hero. Buzz spreads faster when a story has a main character as a focal point. Would you consider the factors that caused so much buzz among women and especially teenage girls surrounding the movie **Rockstar** to be special effects, story, music or cinematography.

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EMPLOYEE FRUSTRATION: A STUDY OF FOREIGN MNC BPO FIRMS

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ABSTRACT

This paper is based on an empirical study of five foreign MNC BPO firms operating in India, ranked among the top 100 by the International Association of Outsourcing Professionals (IAOP). The data was collected using both qualitative and quantitative methods from 163 employees of these five foreign MNC BPO firms who constitute 1 per cent of the population under study. The present study finds that a majority of 72.52 per cent of the respondents of foreign MNC BPO firms 'agree' that there is a sense of frustration among the BPO employees. The causes of odd working hours (58.9 per cent), monotonous work (53.4 per cent) and high stress levels (45.4 per cent) have emerged as the top three causes of frustration among the respondents under study. The factor analysis, being performed under the Principal Component Analysis Method, has identified five factors contributing a cumulative variation of 61.164 per cent to the frustration of the respondents under study.

Key Words : Employee, Frustration, Foreign, MNC, BPO.

1. Introduction:

Business process outsourcing, the most flourishing Indian industry has emerged as India's most promising sector and has been growing at a rate of 40-50 per cent since its inception. BPO is a very fast paced and a high momentum industry. Taking advantage from the abundant skills and low-cost benefits, a large number of BPO companies have mushroomed in India in recent years. But, there is another side of the BPO picture too; the side that has already brought the BPO industry in limelight many times. This picture is concerned with the reports that the young generation of India is actually losing out in the BPO. Martins (2007) reports, "Not surprisingly, experts are concerned by the high intake of drugs and alcohol in the industry. Some believe that substance abuse is directly related to high levels of stress and frustration on the job". Again, smoking has become another serious matter of concern in this industry. A study finds that there is a major shift in the nicotine habits of the BPO sector with many employees turning to smoking as an 'effective' way to relieve stress, monotony or boredom the outsourcing job entails (Sabharwal, 2010). Mahaseth (2010) reports that the women smokers are on the rise in India, and BPOs and MNCs have become major smoking hubs today. Most of the IT and BPO companies had the smoking zones inside their premises but the ban on smoking in public places made them shut off such zones but smoking which was confined to the office premises has come on to the streets now, affecting the people walking on the streets who become passive smokers, which is worse than active smoking (Haris, 2009). Having gone through these reports and having personally observed a few of such cases while being on a larger study, the author felt that there is need for a study on the topic of frustration in the BPO sector.

2. Objectives of the Study:

The present study entitled "Employee Frustration: A Study of Foreign MNC BPO Firms" is undertaken with the following objectives:

1. To find out whether there is any sense of frustration among the employees of foreign MNC BPO Firms.
2. To enquire into the causes of frustration, if any, among the employees of foreign MNC BPO Firms.
3. To identify and group the major factors responsible for the frustration among the employees of foreign MNC BPO Firms.

3. Review of Literature:

Babu (2004) has reported the following as the factors responsible for the frustration of the call center employees: irritative and abusive customers, close monitoring and surveillance, continuous work assessment which the agents often find as fairly demeaning, odd working times usually leading to disturbances in personal and social life, over-exertion taking a heavy toll in terms of health (both mental and physical) and job performance, demanding/stressful nature of the work and lack of bright career paths. Many of the respondents in his study agreed that frustration was one of the prime factors that force the workers to think about quitting the firm. Again, in his opinion, the BPO work does not provide any scope for skill up-gradation. According to Budhwar et al. (2006), the factors of favouritism by the management towards selected individuals regarding appraisals and promotions, management frequently acting as a closed system, i.e. not ready to accept employee feedback lead to a sense of frustration and, ultimately, resignation. In the opinion of Upadhyya and Vasavi (2006), the causes of monotonous work, high stress levels and long working hours lead to frustration and burnout. According to De (2004), the gradual realization that scope for career growth is non-existent or at most limited in the BPO industry is the main reason for the frustration to seep in. In the words of Nair (2008), the long and unusual work hours cause a lot of frustration and health problems; a majority of the study respondents believe that the targets set out for them are unreasonable; failures to meet their targets do not only affect their career graphs but also create frustration. Keeping these studies in mind, the present study entitled “Employee Frustration: A Study of Foreign MNC BPO Firms” is undertaken.

4. Research Methodology:

The study mainly depended upon the primary data. However, some secondary sources of data were also consulted for the purpose of gathering background information supporting the study. Relevant primary data was collected using a combination of both qualitative (interview) and quantitative (sample survey through questionnaire) methods. The data was collected from five foreign MNC BPO firms which were selected on the basis of the ranking announced by the International Association of Outsourcing Professionals (IAOPs). The study covered the units of these MNCs located in Bangalore, considered to be the Silicon Valley of India. Access to these BPO firms was secured through contacts and networking techniques. Altogether, data was collected from 163 employees who constitute 1 per cent of the population under study. The sense of existence or otherwise of frustration among the employees is measured on Likert's (1932) five-point scale of 'strongly disagree..... strongly agree', the scale in quantitative terms being: 0 - 20 per cent: strongly disagree, 21 - 40 per cent: disagree, 41 - 60 per cent: not sure, 61 - 80 per cent: agree, 81 - 100 per cent: strongly agree. The respondents were given 14 variables, and from among them, they could identify multiple variables as the causes of the sense of frustration, if any, and the results are presented here. The results of the factor analysis, being performed under the Principal Component Analysis method, to identify and group the most important factors responsible for the frustration of the respondents have been presented in this paper. Finally, the paper concludes with the researcher's contributions to the literature and the scope for further research in this area.

5. Results and Discussion

5.1 Sense of frustration among BPO employees:

The views of the respondents on the statement, ‘There is a sense of frustration among the BPO employees’ are presented in Table 1. Among the respondents, the level of agreement with the statement is at 72.52 per cent which constitutes ‘agree’ on our scale. Thus, a majority of the respondents ‘agree’ that there is a sense of frustration among the BPO employees.

Table 1: Sense of frustration among the BPO employees

Variable	1 %	2 %	3 %	4 %	5 %	Mean	S.D.	% Mean
There is a sense of frustration among the BPO employees	1.8	8.0	28.2	49.7	12.3	3.63	.868	72.52

(Notes: i. 1 - strongly disagree, 2 - disagree, 3 - not sure, 4 - agree, 5 - strongly agree)

ii. Source: Survey data

5.2 Causes of frustration among the BPO employees:

The views of the respondents with regard to the major causes of frustration among the BPO employees are presented in Table 2. The causes of odd working hours (58.9 per cent), monotonous work (53.4 per cent) and high stress levels (45.4 per cent) have emerged as the top three causes of frustration, followed by small mistakes - severe penalties and unrealizable targets (29.4 per cent each) leave policy (28.2 per cent), physical strains and no or low growth prospects/ lack of promotion (25.8 per cent each), poor grievance redressal mechanism and personal life (22.8 per cent each), occupying the spots from four to ten. In this context, it is worth-noting that the causes of odd working hours, monotonous work and high stress levels have emerged as the top three causes of frustration among the respondents under study.

Table 2: Major causes of frustration among the BPO employees

Causes	n	%	Rank
Odd working hours	96	58.9	1
High stress levels	74	45.4	3
Monotonous work	87	53.4	2
Small mistakes - severe penalties	48	29.4	4
Close monitoring and surveillance	30	18.4	12
Unrealizable targets	48	29.4	4
Poor grievance-redressal mechanism	37	22.8	9
No personal life	37	22.8	9

Physical strains	42	25.8	7
Leave policy	46	28.2	6
No or low growth prospects/lack of promotion	42	25.8	7
Continuous work assessment	32	19.6	11
Misguidance by the company	9	5.5	13
Others	5	3.1	14

(Note: 1. The total of number of employees and percentages are not equal to 163 and 100 per cent respectively because of multiple responses). 2. n = No. of employees; 3. Source: Survey data

5.3 Factors responsible for the frustration of the respondents – A factor analysis

The researcher has used ‘factor analysis’ to identify and group the most important factors responsible for the frustration of the respondents. The factor analysis was performed to identify the factors which discriminate each other. According to KMO and Bartlett’s Test, factor analysis can be performed for the given data as $p = .000 < .01$ (Table 3)

Table 3: KMO and Bartlett’s test:

Kaiser-Meyer-Olkin Measure of		
Sampling adequacy		.764
Bartlett’s Test of	Approx. Chi-square	437.974
Sphericity	df	91
	Sig	.000

The factor analysis identified the following 5 factors (Table 4 and 5):

Factor 1: This factor consists of the following variables which contribute 25.696 per cent variation. The variables are:

- Small mistakes – severe penalties with factor loading of .763
- Unrealizable targets with factor loading of .711
- Poor grievance-redressal mechanism with factor loading of .558
- Leave policy with factor loading of .579
- Continuous work assessment with factor loading of .526

The above are the most important factors which contribute the most to the frustration of the respondents of foreign MNC BPO firms under the study.

Table 4: Total variance explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.597	25.696	25.696	3.597	25.696	25.696	2.272	16.229	16.229
2	1.515	10.825	36.521	1.515	10.825	36.521	1.855	13.250	29.479
3	1.347	9.620	46.141	1.347	9.620	46.141	1.584	11.317	40.797
4	1.098	7.842	53.983	1.098	7.842	53.983	1.533	10.947	51.744
5	1.005	7.181	61.164	1.005	7.181	61.164	1.319	9.420	61.164
6	.908	6.488	67.652						
7	.772	5.514	73.166						
8	.719	5.132	78.298						
9	.689	4.921	83.219						
10	.596	4.254	87.473						
11	.514	3.675	91.148						
12	.455	3.252	94.400						
13	.427	3.051	97.451						
14	.357	2.549	100.000						

Extraction Method: Principal Component Analysis.

a. MNC = Foreign

Table 5: Rotated component matrix

Rotated Component Matrix^a

	Component				
	1	2	3	4	5
Odd working hours			.812		
High stress levels					.641
Monotonous work		.617			
Small mistakes - severe penalties	.763				
Close monitoring and surveillance		.562			
Unrealizable targets	.711				
Poor grievance - redressal mechanism	.558				
No personal life		.560			
Physical strains		.806			
Leave policy	.579				
No or low growth prospects/lack of promotion				.818	
Continuous work assessment	.526				
Misguidance by the company				.688	
Others					.730

Extraction Method: Principal Component Analysis.
 Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 5 iterations.

Factor 2: This factor consists of the following variables which contribute 10.825 per cent variation. The variables are:

Monotonous work with factor loading of .617

Close monitoring and surveillance with factor loading of .562

No personal life with factor loading of .560

Physical strains with factor loading of .806

Factor 3: This factor consists of the following variables which contribute 9.620 per cent variation. The variables are:

Odd working hours with factor loading of .812

Factor 4: This factor consists of the following variables which contribute 7.842 per cent variation. The variables are:

No or low growth prospects/ lack of promotion with factor loading of .818

Misguidance by the company with factor loading of .688

Factor 5: This factor consists of the following variables which contribute 7.181 per cent variation. The variables are:

High stress levels with factor loading of .641

Others with factor loading of .730

6. Conclusion:

The study, although is on a small scale, has been successful in accomplishing its research objectives and it makes three contributions to the literature. First, the researcher has been able to identify that a feeling of frustration does exist among the BPO employees. Second, the researcher has been able to find out the major causes of frustration among the BPO employees. Third and the most important, the researcher has been able to identify and group the major factors responsible for frustration among the BPO employees. With regard to the scope for further research, the following areas are suggested by the researcher: (i) the study was on a small scale, and hence, there is a need to make a more comprehensive study, covering wider areas, (ii) the study was based on a small sample of five large firms and hence, there is a scope to cover more number of firms in the future, giving proper representation to small, medium and large firms operating in the industry, (iii) a comparative study of captive and third party firms is suggested (iv) a cross-national study in this industry is advised to understand the country-wise differences, and more importantly, (v) a study in the same area but across different industries is highly suggested by the researcher which will help establish whether there is any similarity among the employees working for different industries with regard to the issue of frustration or whether the BPO industry is unique in itself.

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CAREER ADVANCEMENT OF WOMEN: AN EMPIRICAL STUDY OF SELECTED HOTELS IN HOSPITALITY INDUSTRY

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ABSTRACT

This paper attempts to explain the perception of women and various factors which affect the career advancement decision in hospitality industry. It examines the various research studied conducted in Indian or internationally and tries to find out the important factors which helps in facilitating the career advancement of women in Indian. This study considers the all hotels in NCR and the data were collected from the working women. The results have been evaluated by using factor analysis. The findings were exploring five factors i.e. personal characteristics, accessibility, decision-making, work-life balance & person chance-fit.

Key Words: Career, perception, accessibility, work life balance

Introduction:

Travel and hospitality businesses in India have traditionally hired women in various positions. Every year India receives more than 3.5 million foreign tourists, and the government has set a determined goal of taking this number to 5 million. The domestic tourism in India is also on the increase, with over 35 million Indians travelling within the country each year. To meet the needs of the growing number of foreign and local tourists, the demand for trained manpower in the travel and hospitality industry has grown up substantially in recent years. A 2010 FICCI-E value Serve Survey and World Travel and Tourism Council Report forecast that the travel and tourism industry in India will grow at a much faster rate than other tourist destination in the world. The industry is likely to create 40 million jobs by 2019. With the government's investments and emphasis on infrastructure development, abundant career opportunities in the travel and hospitality sector are expected in the coming years.

According to 2009 report of Travel BizMonitor, women are increasingly creating a position for themselves in the industry. Women professionals are occupying decision making positions, and also proving their leadership skills and qualities by successfully running companies. There are also a variety of tough challenges for women in the travel, tourism and hospitality sector in India. The working hours can be odd and irregular, including night duties and working on weekends and holidays. Some of these jobs may also involve extensive travel to different destinations. However, women are meeting these challenges successfully, and the employers are also increasingly considerate towards their welfare.

People who increase their education are more likely to participate in the work force. The employment rates of women (25 years old and older) were correlated with their education attainment by the U.S. Department of Labour for 2004. They found women with a: lower school diploma - 32.5%; high school diploma -54.1%; some college and associate degree -71.5%; and bachelor's degree and higher -72.8%. The largest percentage of employed women (38%) worked in management, while 35% worked in sales and office occupations (U.S. Department of Labour, 2004). According to International Labour Office (ILO, 2001), worldwide, Canada reported 35% of managers were women, the UK 33%, Mexico 22%, and

Hong Kong 21% (cited in Kang, H.R., & Rowley, C. 2005). The number of women managers has increased; however, they have not reached equity with their male counterparts in salaries: In 1992, women managers earned 66% of male managers' salaries and in the category of financial managers; women earned only 62% of men's salaries. The gap in salaries has reduced in some fields, but still remains large in other fields (Fagenson & Jackson, 1993).

Review of literature

The review of literature revealed that energy and hard work are presented as being the most important traits that facilitate to women's career advancement. Gregg and Johnson (1990) noted that the women in their survey felt that they had to work twice as hard and do twice as good a job as their male colleagues in order to prove they deserved a promotion. Other traits also included communication, trust, and perseverance. Suggestions are given to women managers to stand out by hard work, being good at what they do networking, relocating, or changing companies (Ng & Pine, 2003). Knutson and Schmidgall (1999) noted that having a charismatic personality also is an effective advancement strategy and that women executives believe that to advance they must develop a style with which men are comfortable. Brownell (1992) described the hospitality managers who emerge as leaders in the 21st century as men and women who deal effectively with a multi-cultural workforce, present their ideas clearly, and are able to mobilize others around a common goal.

Brownell (1994), in another study on personality and career development, found the following traits of hospitality managers: hard work, fairness, the ability to motivate others, determination, calmness, assertiveness or competitiveness, enthusiasm, deliberateness and detail-orientation. Skills and intelligence also are important, such as communication skills, leadership skills and interpersonal skills. Networking and mentoring have been identified as two methods to help women.

Fagenson and Jackson (1993) stated that some women in high level have benefited from networks. Furthermore, women need to set up their networks and participate in men's networks. Many women have acknowledged the help of mentors who helped them to enter the old boy networks.

Margraret M. Morrissey (1997) in his study " a qualitative study of factors that influence the career advancement of female higher education administrators" examine the issue of career advancement by conducting in depth interviews with female administrators who had already reached a high level position within their institutions, to identify factors perceived to be positively influence or hinder the career advancement of women.

On the positive side the factors that were perceived to be most beneficial for the career advancement of women include participating in professional development programs, finding a mentor to act as a source of guidance and support, actively networking with other administrators both on and off campus, working in a supportive campus environment or climate, having a strong educational background and having the self-confidence and understanding of the field of higher education to be able to move ahead with one's career.

Yan zhong (2006), conducted research on "factors affecting women's career advancement in the hospitality industry: perceptions of students, educators, and industry recruiters". The study identified factors that influence women's career advancement. Hard work, attitude towards work, communication skills, and problem solving skills were considered by all groups as the most important facilitators to women's career advancement.

Previous research revealed gender differences on factors that facilitate and constrain women’s career advancement. Brownell (1994) conducted a survey of 97 female and 318 male general managers. Of the ten items that relate to the importance of career-related activities, only mentoring was found to be significantly different by gender, with males viewing it more important to women’s career development than females.

The literature review discussed the theoretical framework for this study. It provided an overview of growth of the hospitality industry and women’s roles in this industry. The literature identified the leadership skills and other factors that facilitate women’s career advancement. Previous research revealed gender differences in perceptions of the factors that facilitate and constrain career advancement for women

Objectives of the study:

The objectives of this study are as follows-

- To identifying the factors facilitating career advancement of women in hospitality industry.
- To evaluate the factors which influence women towards career advancement?
- To provide the valuable suggestions and recommendation

Research methodology:

The aim of this research paper was to find out how hospitality industry recruiters and females perceive the factors facilitate women career advancement. The research is descriptive cum diagnostic. It is based on primary as well as secondary data. The secondary data is collected from books, Journals, online articles, news. The primary data is collected through self made questionnaire covering Delhi and Gurgaon. The questionnaire was designed on the basis of review of literature. The convenience sampling is used and total of 120 questionnaires were collected. The factor analysis has been applied on 15 statements. However, the sample restriction and time constraint are the major limitations during this study.

Results and analysis:

The main objective of this study is to identify the factors facilitating career advancement of women in hospitality industry. For this purpose the Kaiser-Meyer-Olkin (KMO) test was performed to test the factorability of the correlation matrices.

KMO and Bartlett’s Test			
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.			.621
Bartlett's Test of Sphericity	Approx. Chi-Square		333.544
	Df		105
	Sig.		.000

Table 1: KMO and Bartlett’s Test

The KMO value of this analysis is .62, greater than the criteria of .5 (<.5) which is indicated that a factor analysis is appropriate for this study. The principal component axis factoring is conducted, and factor rotation is performed through the varimax (orthogonal) rotation procedure. Five factors are extracted based on the scree plot, with loadings higher than .30. However, in all five factors, each had 3 items in the factor, which meet the requirement of a minimum of three items per factor as required for a factor model to be identified. As a general rule, only variables with loading of .32 or above are interpreted (Tabachnick & Fidell). A cut off of .32 was used for better interpretation of factors in this study. Comrey and Lee (1992) suggest that loadings in excess of .71(50% overlapping variance) are considered excellent, .63(40% overlapping variance) very good, .55(30% overlapping variance) good, .45(20% overlapping variance), fair. The factor loadings for the rotated solution can be found in the Rotated Component Matrix. The results show that most of the variable loadings reached an acceptable standard.

Rotated Component Factor Matrix

S. No	Factors		Component				
			1	2	3	4	5
6	personal characteristics	Personality	.846	-.120	.170	-.119	-.192
1		Hardwork	.756	-.009	.034	.213	.227
12		Career goals	.681	.385	-.051	.214	.153
10	Accessibility	Opportunities	.028	.632	.335	-.089	.282
13		Mobility	-.040	.859	-.100	.026	.093
14		Networking opportunities	.408	.557	.150	.280	-.113
3	Decision-making	Effective communication skills	.116	-.092	.855	-.036	.153
4		Problem solving skills	.049	-.038	-.667	-.345	.195
8		Support and guidance from a mentor	.104	.284	.531	.134	-.058
2	Work-life balance	Attitude toward work	-.171	-.073	.291	.683	.046
7		Attitude toward work	-.171	-.073	.291	.683	.046
15		Family support	.355	.158	-.123	.507	-.002
5	Person chance-fit	Personal sacrifice	.039	.276	.024	-.150	.815
9		Educational qualifications	.088	.278	.346	-.334	-.698
11		Luck	.384	.265	.252	-.039	.503

Table 2: Extraction Method: Principal Component Analysis.

The factor 1 has 3 variables i.e. hardwork, personality and career goals with .846, .756, .681 their respective loadings. All these variables are related with personal characteristics of a human being. So that factor is labelled as Personal characteristics. In this factor the hard work variable has highest loading so that it is highly affecting variable among all 3 variables. The factor 2 is related with the variables opportunities, mobility and networking opportunities with .632, .859, .557 their respective loadings and all these variables are associated with the accessibility of a person so that factor is labelled as the accessibility. Among all these variables mobility has highest factor loading (.859) so that it is highly represented this factor. The factor 3 is related with the variables effective communication skills, problem solving skills and support and guidance of a mentor with their factor loadings .855, .667, .531 in which effective communication skills have highest loading value so that this factor is labelled as decision-making. The factor 4 has variables attitude towards work, job knowledge and family support with their respective factor loadings .683, .683, .507 in which two variables have equal value .683 so both these factors equally associate with this factor. This factor can be labelled as work-life balance because family has a great impact on the attitude of their family member and this attitude will also affect their job, knowledge and performance of the person. And the factor 5 is related with the variables personal sacrifice, education qualifications and luck with their factor loadings .815, .698, .503 in which the factor loading of personal sacrifice .815 is the highest value so that this variable is highly associated with person-chance fit.

Findings of the study:

The main objective was to identify the factors which influence the career advancement of women in hospitality industry. The five factors have been identified which facilitate women career advancement in hospitality industry. These factors are personal characteristics, accessibility, decision-making, work-life balance & person chance-fit. This study revealed that:

- All the factors have value ranged from .51 to .86 so that all the factor loadings reached at accepted standard. Thus it is accepted that all the 5 factors facilitates the career advancement of women.
- It explores five factors among them the highly contributed facilitators are hard work, personality and career goals which are labelled as personal characteristics.
- Accessibility factor facilitates the career advancement for women in hospitality industry but it is not always possible for females to be mobilized and create a large network. So that if they don't have good networked then it will considered as a barrier or constrain for their career advancement.
- In the factor decision-making, three variables are effective communication skills, problem solving skills and support and guidance of mentor. If the women have good communication and problem solving skill then it will increase the opportunities for their better career advancement but with these skills the support or guidance of mentor is also required for using her skills in a right direction. Without proper guidance they can't utilize their skills properly.
- Work-life balance factor has 3 variables. These variables are attitude towards work, job knowledge, and family support. Family has a significant role in developing the attitude of a family member. If there is a supportive environment then they can develop positive attitude towards their work and family environment is also help in increasing their job knowledge. So if the family will be supportive then they can balance their work-life easily otherwise there will be always conflicts between work and family responsibilities.
- Except these entire personal factor one another factor also help in facilitating career advancement of women which is person chance-fit. This factor associates 3 variables which are educational qualification, personal sacrifice and luck. Career advancement is not only based on the skills of person some other variables also help in making the good career like educational qualification.

And luck is another variable because sometimes people have all skills and qualification but due to chances and luck they can't achieve good opportunities. Sometimes due to luck people done lords of sacrifices in their life still they have all the skills and eligibility for that opportunities.

Conclusion:

The study identified several factors that facilitate women's career advancement. Hard work, personality, effective communication skills, and mobility were considered by all respondents as the most important facilitators to women's career advancement. Hospitality training programs should present information and activities to prepare women for leadership, should reveal and develop courses focused on necessary skills for women, and provide more mentors and role models to the women. The industry recruiters should remove barriers for better career advancement of women. The current study reveals that changes are necessary.

Future scope of the study:

Except all these facilitators data reported in the study confirmed that women in the hospitality industry continue facing challenges in their career advancement. So this study can provide the base to extend the research to find out the significant difference between the perception of male and female employees towards career advancement facilitators.

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DETERMINANTS OF CAPITAL STRUCTURE OF SELECTED COMPANIES FROM CEMENT INDUSTRY IN INDIA: A CASE STUDY

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Abstract

This study attempts to investigate the determinants of capital structure and to identify the relevance of these factors with the predictions formulated by the three important capital structure theories in the context of cement industry in India. A panel data regression model is based on Trade-off theory, Pecking order theory and Agency cost theory, specified and empirically tested using a data set of ten companies are selected on the basis of turnover for the period of 12 years from 2000-01 to 2011-12. Along with leverage as dependent variable, eight independent variables namely Profitability, Size, Growth, Tangibility, Non-Debt Tax Shield, Income Variation, liquidity and uniqueness are used to analyze their influences and explaining power on leverage. The observation reveals that the pecking order theory is mainly consistent with the said industry and out of the selected variables profitability, size, tangibility, non-debt tax shield and uniqueness are the most significant variables in explaining the leverage.

Keywords: Trade-off Theory, Pecking Order Theory, Agency cost theory, leverage, Determinants.

1. Introduction

In the rapidly changing business world decision on capital structure formulation has become a complex task. Due to influence of the frequent economic upturn and downturn Indian companies are facing unexpected turmoil to survive in the global arena. To cope with these situations the CFO of the firm should play a significant role to provide the best support to the organization. As CFO of the firm is the principal decision maker, need to be well equipped with in-depth knowledge about the capital structure decision, keeping in mind different economic situations, legal environment, as well as balance consideration of costs, benefits and risks to take a superior decision in the competitive environment. Capital structure of a firm is the combination of debt and equity that have to be utilized for the creation of a pool of fund and use to finance a company's assets. It is very important as each firm tries to optimize firm value and best return to the shareholder through a unique combination of debt and equity. The problem of determination of capital structure is the selection of optimum mix of debt and equity, which is influenced by a number of internal and external factors. These influencing factors are very vital for making financial structure. Many studies made in the field of capital structure and its determinants, yet these are the core areas of research to the academicians, mainly after the seminal work of Modigliani and Miller (1958). Modigliani and Miller (1958), in their irrelevancy proposition argued that the capital structure of the firm is irrelevant in determining the firm's value. This has criticized in the empirical study of Raviv and Harries (1991). Myers (2001), argued that MM theory is no more effective to explain the firm value as it is based on unrealistic assumptions. However, incorporation of corporate tax into account relaxes the earlier concept of MM hypothesis and explain that the firm's value will change with the use of debt in the capital structure on account of tax shield on interest on debt (Modigliani and Miller, 1963). Lubatkin and Chatterjee (1994), recognized that there exists a relationship between capital structure and firm value, which is supported by Krause and Litzenberger (1973). As an alternative of Modigliani and Miller (1958, 1963) irrelevancy and with tax advantages proposition, three major theories of capital structure, namely trade-off theory, pecking order theory and agency cost theory emerge that highlight the different determinants as well as modes of financial decision about corporate capital structure. Each

theory explores general guidelines about financial pattern of the firm, but none can be able to explore the principle outline of the unique combination of debt and equity that optimize firm value in the different economic situations and suitable for different nature of the industry. However, in practice it is observed that as the capital structure decision is significantly managerial decision, the manager of the firm uses different combinations of debt and equity in a different situation to protect the interest of different stakeholders.

Along with the introduction, remainder of this article is organized in the following manner: the second section is objectives of the studies; the third section is the literature review of earlier studies in the field of capital structure theories; the fourth section relates to the data base and methodology; the fifth section relates to analysis of the major findings of the study and the conclusion of the study is presented in the last section.

2. Objectives of the Study:

The study has the following objectives:

- To identify the most important influencing factors of capital structure.
- To analyze the relationship of leverage with different financial indicators.
- To determine whether the selected industry is consistent with the proposition of any particular theory of capital structure during the study period or not.

3. Literature Review:

A literature survey of earlier work is a basic tool of any research study. In this section some of the important studies have been reviewed in the light of the three main theories as well as basic theory of capital structure.

Many empirical studies have yet been made in India and outside India on different issues of capital structure. Most of the studies concentrate in the field of capital structure theory particularly on the relevancy of Modigliani and Miller hypothesis. Modigliani and Miller (1958), in their study focus the basic concept of capital structure theory which is based on irrelevance principle and under some sets of assumptions they argued that the capital structure is irrelevant in determining the firm's value. This has contradicted by Lubatkin and Chatterjee (1994). Modigliani and Miller (1963), changed the earlier proposition by incorporating corporate tax into account, which recognized that the tax deductibility of debt is the cause of changing firm value. However, as an alternative of MM's irrelevance proposition and tax shield benefits hypothesis three major theories, namely Pecking Order Theory, Trade-off Theory and Agency cost theory emerge that highlight the different argument regarding financial pattern of the firm.

According to Trade-off theory of capital structure, optimal capital structure is determined by balancing the tax benefits of debt, bankruptcy cost and the agency costs of debt and equity. It predicts that the funds to be managed in such a manner that the marginal expected tax benefit of debt and marginal expected bankruptcy cost of the firm should be equal. Some empirical studies argued that the marginal expected bankruptcy cost is lower than the tax advantages of debt (Graham (2000), Miller (1977)). Molina (2005), compared indirect bankruptcy costs with the tax advantages of debt and disagree with the trade-off theory. Green (2003), observed that the inclusion of personal taxes may reduce the tax advantages of debt. Myers (1984), Goldstein *et al.* (2001) in their study criticized trade-off theory. However, Jensen and Meckling (1976), advocate the existence of the optimum capital structure. Subsequently, Pecking Order Theory has been emerged on the basis of asymmetric information, suggests a hierarchical order in the choice of financial arrangement. According to this theory, the firm prefers to use first retain earnings as it is the cheapest source of finance. Then, use debt over equity as the next best alternative sources of finance. Like other theory of capital structure, Pecking order theory is consistent with maximization of firm value. Donaldson (1961), was the pioneer of Pecking order theory which has subsequently modified by Myers

and Majluf in 1984. Myers and Majluf (1984), in their study observed that the outsiders are less well-informed than the insides of the firm, about the value of the firm's assets, and then equity may be mispriced in the market. However, Titman (2005) and Stultz (1990), also observed that the firms are less interested about issue equity share due to much cost associated with this. Study of Tong and Green (2005), confirmed the pecking order hypotheses. According to Agency cost theory, a conflicting interest between shareholders, managers and debt-holders of the firm may arise at the time of processing financial decision. Thus, an agency cost is the cause and effect relationship with agency problems generated due to conflicting interest. According to Fama and Miller (1972), Jensen and Meckling (1976), observed that the conflicts of interest among managers, shareholders and debt holders, may arise due to prioritization of their own interest. This is supported by Harris and Raviv (1991), according to them shareholder and manager always provide different opinion to safeguard their own interest. However, Jensen and Meckling (1976), observed that an optimum combination of debt and equity can be obtained by trading-off between agency costs of debt and benefits generated from a debt.

4.Data base and Methodology

Data base: According to the objectives of our study, as mentioned earlier, we have chosen top ten companies namely Birla Corporation Ltd,Chettinad Cement Corporation Ltd, India Cements Ltd, Heidelberg Cement India Ltd, Madras Cements Ltd, OCL India Ltd, Prism Cement Ltd, Shree Cement Ltd, ACC Ltd and Ambuja Cements Ltd from the Cement industry in India on the basis of turnover and availability of 12 years data over the period from 2000-01 to 2011-12.The data for the current study has been collected from secondary data sources i.e. Capitaline 2000 database. In addition to that several reliable authorities, authentic books, reputed journals, online data (www.moneycontrol.com), magazines and periodicals have also been consulted.

Methodology:

A panel data regression model is specified and empirically tested. SPSS 17.0 software is used extremely to analyze the multiple regression and other statistics. Along with leverage as dependent variable, eight independent variables namely Profitability (PF), Size (SZ) of the firm, Growth Opportunity (GT), Tangibility of Assets (TG), Non-Debt Tax Shield (NDTS), Income Variation (IV), Liquidity (LIQ) and Uniqueness (UNIQ) are used to analyze their influences and explaining power on leverage. The measures of variables used in this study are based on book value as suggested by Myers (1984). The multiple regression model after incorporating all variables is: $(LG) = \beta_0 + \beta_1 (PF) + \beta_2 (SZ) + \beta_3 (GT) + \beta_4 (TG) + \beta_5 (NDTS) + \beta_6 (EV) + \beta_7 (LIQ) + \beta_8 (UNIQ) + e$

Where: β_0 = constant, β_1 to β_8 = coefficient of explanatory variables, (PF) = Profitability of the firm. It is calculated as earnings before interest and tax divided by total assets, (SZ) = Size of the firm. It is calculated as natural log of net sale, (GT) = Growth opportunities of the firm. It is calculated as the percentage change in total assets, (TG) = Tangibility of the firm. It is defined as gross fixed assets divided by total assets, (NDTS) = Non-debt tax shields of the firm. It is measured as annual depreciation divided by total assets, (IV) = Income Variation of the firm. It is measured on the basis of the logarithmic transformation of standard deviation of EBIT, (LIQ) = Liquidity of the firm. It is calculated on the basis of current assets divided by current liabilities. (UNIQ) = Uniqueness of the firm. It is calculated as selling expenses divided by total sales. (LG) = Leverage (response variable) is defined as total debt divided by total Assets and e = Error term.

Development of hypothesis

According to the objectives of the study, following hypothesis are developed about the possible determinants of capital structure to be tested.

H₁: Profitability of a firm is negatively related to leverage.

- H₂**: Size of a firm is positively related to leverage.
H₃: Growth opportunity of a firm is negatively related to leverage.
H₄: Tangibility of a firm is positively related to leverage.
H₅: Non-debt tax shield is negatively related to leverage.
H₆: Income variation is negatively related to leverage.
H₇: Firms with higher liquidity will have less leverage.
H₈: Uniqueness of a firm is negatively related to leverage.

Dependent Variable

Leverage (LG): In this study leverage means financial leverage which is considered as the only dependent variable. The broadest definition of leverage is the ratio of total debt to total assets. Ferri and Jones (1979), used total debt to total assets as the proxy of leverage in their empirical studies and Titman and Wessels (1988), measured debt ratio of the firm in the form of book values rather than market values. The financial leverage is measured in the study as the ratio of book values of total debt to book value of total assets instead of market values.

Determinants of capital structure

The capital structure of a firm is influenced by a number of internal and external factors. Some important internal factors are considered here to identify their relevancy with the predictions made by the study as well as theoretical proposition in the context of cement industry in India.

Profitability (PF): Profitability of a firm is one of the important and potential determinants of capital structure. Pecking order theory suggests that the firms prefer to use retain earnings as their primary source of financing, and then preferred to use debt over equity financing. This theory also supported by Rajan and Zingales (1995), Chin (2003), Wiwattanakantang (1999) and Gaud *et al.* (2005). Whereas, trade-off theory argued that profitable companies should have higher leverage because they have more income to shield from taxes. In this study, the profitability will be defined as earnings before interest and tax divided by total asset.

Size (SZ) of the firm: Firm size has been one of the most common factors used in explaining a firm's level of debt. According to the pecking order theory, size of the firm is negatively related to leverage, which means larger firms' size leads to less debt financing. According to the trade-off model, larger firms are expected to have a higher debt capacity and are able to be more highly geared. Size of the firm is measured in the present study on the basis of natural logarithms of net sales.

Growth Opportunity (GT): Pecking order theory suggests that the growing firms prefer to use retain earnings as their primary source of financing, and then preferred to use debt over equity financing. According to this theory growth opportunity of the firm is positively related to leverage, this implies that higher growth rate leads to higher demand for funds. Whereas, agency cost theory observes inverse relationship. In this study, Growth Opportunity of the firm is measured on the basis of percentage change in total assets.

Tangibility of Assets (TG): Tangibility of assets is one of the important influencing factors in determining financial structure. According to Harris and Raviv (1991) and Titman and Wessels (1988), suggested that the higher is the tangibility of the asset, the better is the company liquidation position, which is supported by trade-off theory as well as agency cost theory. However, Pecking order theory suggests an inverse relation between tangibility of assets and leverage of the firm. In this study tangibility of assets is measured as the ratio of fixed assets to total assets.

Non-Debt Tax Shield (NDTS): Use of debt in the capital structure is not only the means of reducing tax burden besides, some other non-debt items such as depreciation, pension fund and investment tax credit also helps to reduce the tax burden. According to trade-off theory a firm uses lesser debt financing in their capital structures if they can get higher non-debt tax shield. This theory is supported by Wald (1999) and Chaplinsky and Niehaus (1993) in their empirical study and identified that debt ratio is negatively related

to non-debt tax shields. Ratio of annual depreciation expenses to total assets is used as a proxy of non-debt tax shields in this study.

Income Variation (IV): Firms with high volatility of income consist of a risk of earnings level reducing below the level of their debt obligations. Therefore, firms with highly variation in income prefer to issue equity and borrow less debt. Accordingly there exist an inverse relationship between income variation and leverage ratio, which is confirmed by the both pecking order theory and trade-off theory. Whereas, the agency cost theory claims the different impact. In this study, Income Variation of the firm is measured on the basis of the logarithmic transformation of standard deviation of EBIT.

Liquidity (LIQ): Liquidity is defined as the ratio of current assets to current liabilities. This ratio indicates the firm's ability to pay the short-term financial obligations and liquidity position. Pecking order theory predicts that firms with high liquidity will borrow less debt. A negative relation also expected by the agency cost theory. But, Trade-off theory predicts an opposite direction and shows a positive significant relation exists between liquidity ratio and debt ratio. *Uniqueness (UNIQ)*: Different studies explain different opinion regarding relationship between leverage and uniqueness of the firm. According to Titman and Wessels (1988), uniqueness of the product influence the firm's capital structure. Trade-off theory predicts a negative relationship between uniqueness and leverage ratio. Whereas, the pecking order theory expected a positive relationship between uniqueness and financial leverage, and argues that firms with relatively unique products are expected to more R&D and selling expenses which require a higher demand for funds from preferred source of debt. Selling expenses over sales is used to measure the relationship between uniqueness and leverage.

5. Major Findings of the study:

The aim of this section is to provide empirical analysis and findings of the study, that help to focus in-depth results which include - descriptive statistics, correlation coefficient between explanatory variables and multiple regression analysis.

Table-1 presents some of the descriptive statistics of the selected Indian firms in the cement industry from 2000-01 to 2011-12, Descriptive statistics is used to describe the data set, measures of central tendency and measures of variability or dispersion.

Table – 1: Descriptive Statistics

	Minimum	Maximum	Mean	Std. Deviation
Profitability(PF)	-0.138	0.461	0.122	0.092
Size(SZ)	5.221	9.338	7.178	1.005
Growth(GT)	-17.240	200.283	17.215	25.461
Tangibility(TG)	0.424	1.884	0.914	0.252
NDTS	0.013	0.245	0.053	0.041
Income Variation(IV)	0.295	6.834	4.235	1.542
Liquidity(LIQ)	0.410	2.470	1.087	0.451
Uniqueness(UNIQ)	0.000	0.243	0.143	0.045
Leverage(LG)	0.000	0.837	0.367	0.197

The mean value of leverage is 37%. This implies that the said industry uses more internal sources over debt to finance in the business thus, internal sources remain the main sources of finance of cement industry during the study period.

Table-2 presents the Pearson's co-efficient of correlation to check the degree of association and existence of multicollinearity among the independent variables.

Table-2:Matrix correlation

	Profitability (PF)	Size (SZ)	Growth (GT)	Tangibility (TG)	NDTS	Income Variation (IV)	Liquidity (LIQ)	Uniqueness (UNIQ)
Profitability(PF)	1							
Size(SZ)	.437**	1						
Growth(GT)	.305**	.164	1					
Tangibility(TG)	-.341**	-.470**	-.345**	1				
NDTS	-.113	-.019	.073	.284**	1			
Income Variation(IV)	.524**	.822**	.193*	-.549**	-.075	1		
Liquidity(LIQ)	-.019	.083	.091	-.270**	.103	.096	1	
Uniqueness(UNIQ)	-.062	.327**	-.102	-.099	-.107	.294**	.067	1

Note: * and ** indicates, Correlation is significant at the 5% and 1% level (2-Tailed).

Tables- 2 represents that the correlation coefficients of cement industry between the independent variables are almost low in general. However, there exists a high degree of association between income variation and size, which is found to be 0.822 that may be a chance of collinearity. High degree of association between explanatory variables either positive or negative may be the cause of multicollinearity problems. So, current study seeks to apply variance inflation factor (VIF) test to identify the problems. However, as a rule of thumb, if variance inflation factor (VIF) is greater than 10 that will happen if R^2 exceeds 0.90, indicates the presence of collinearity (Gujarati, 2003). The result of collinearity statistic in table- 3 reveals that the VIF values of all the variables are less than 10, which is the indication of no multicollinearity among the independent variables.

Table-3 presents the Regression result to verify the fitness of the model and explanatory power of the variables.

Table-3: Multiple Regression

	Unstandardized Coefficients		Standardized Coefficients	t- test	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
(Constant)	1.038	.169		6.130	.000		
Profitability(PF)	-.997***	.164	-.467	-6.090	.000	.623	1.604
Size(SZ)	-.062*	.031	-.317	-1.971	.051	.142	7.053
Growth(GT)	.001	.001	.000	-.003	.998	.791	1.264
Tangibility(TG)	-.114*	.066	-.147	-1.733	.086	.510	1.960
NDTS	.919***	.325	.191	2.829	.006	.807	1.240
Income Variation(IV)	-.022	.022	-.170	-.968	.335	.119	8.428
Liquidity(LIQ)	-.030	.028	-.069	-1.071	.287	.873	1.146
Uniqueness(UNIQ)	.534*	.297	.121	1.796	.075	.808	1.238
R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics			N
				R Square Change	F Change	Sig. F Change	
.770 ^a	.594	.564	.130	.594	20.263	.000	120

Notes: *, ** and*** indicates, significant at 10%, 5% and 1% levels.

From the above table we can fit the multiple regression model of cement industry in the following way.

Leverage (LG) = 1.038 – 0.997(PF) -0.062(SZ) + 0.001(GT) -0.114(TG) + 0.919(NDTS) - 0.022(IV) - 0.030(LIQ) + 0.534(UNIQ).

The coefficient of determination or R square (R²) for the cement industry is 0.59, represents that the eight variables namely profitability, size, growth, tangibility, non-debt tax shield, income variation, liquidity and uniqueness explain about 59% of variation in the leverage, i.e. there exist a high explanatory power between independent variables and leverage. Out of which most important significant factors in explaining variance in leverage of cement industry are profitability, size, tangibility, non-debt tax shield and uniqueness. This indicates that the choice of capital structure is mainly defined by these variables in the cement sector. The remaining variability in the leverage is due to some other factors which are not included in the model. Value of R² and f- statistics indicate the fitness as well as significance of the model.

Summary of expected impacts and observed relationships with the prediction of different theories are as follows:

Table- 4: Comparison of the test results with the expectations of theories

Determinants	Expected impact	Observed Relation	Theory
Profitability(PF)	Negative	Negative	Pecking order
Size(SZ)	Positive	Negative	Pecking order
Growth (GT)	Negative	Positive	Pecking order
Tangibility(TG)	Positive	Negative	Pecking order
Non-debt tax shield (NDTS)	Negative	Positive	NA
Income Variation(IV)	Negative	Negative	Pecking order/ Trade-off
Liquidity (LIQ)	Negative	Negative	Pecking order/ Agency
Uniqueness (UNIQ)	Negative	Positive	Pecking order

Profitability (PF) of the selected firms in cement Industry during the period is having a negative coefficient with statistically significant at 1% level. This implies that the profit of the firm plays a significant role in determining capital structure and higher is the profit lower is the leverage. This finding supports the pecking-order theory and support the expected impact. The same results were observed by Shah and Hijazi (2005) and Tariq and Hijazi (2006). Thus an internal fund has remained an important source of capital financing in the Indian cement industry during the period of 2000-01 to 2011-2012.

Size (SZ) of the firms, which has been hypothesized to have a positive relationship with leverage, is not found to be so, though it is statistically significant at 10% level. It is evident from the results that corporate size has significant influence on leverage and the value of the regression coefficient is negative. Thus, the effect of corporate size on leverage worked in the opposite direction which is contrary to the hypothesized direction. This finding supports the pecking-order theory. Rajan and Zingales (1995), also expecting the negative relationship between size and leverage of the firm. The relation of the size is negative, which means larger firms' size leads to less debt financing.

Growth (GT) opportunity of the firm is found to be positively correlated with leverage. This suggests that growing firms in the Indian cement industry uses more debt than equity to finance the new projects. One possible reason for this is that in order to grow in the cement sector, huge cash flows are needed, that a growing firm may not be able to meet only through internal sources and therefore they have to rely on

debt. This finding supports the pecking-order theory, but the finding is statistically insignificant and contrary to the expectation.

Tangibility (TN) of the firms, which has been hypothesized to have a positive relationship with leverage, is not found to be so, which is contrary to the hypothesized direction though it is statistically significant at 10% level. It is evident from the results that tangibility of the cement industry has significant influence on leverage and the value of regression coefficient is negative. The pecking order theory supports this finding. Though, the trade-off theory and the agency cost theory suggest an inverse relation between tangibility of assets and leverage of the firm. The current study observes the negative relationship that implies internal fund remain an important source of capital financing in the Indian cement industry during the study period.

Non-debt tax shield (NDTS) is found to be a significant positive relationship with leverage at 1% level, but inconsistent with the expected impact. The positive relationship between leverage and NDTS is not supported by theory. However, depreciation helps to reduce tax burden but, does not mean a substitute of debt. Hence, the positive relationship is only a matter of chance. The positive relationship is supported by Bradley (1984).

Income Variation (IV) of the firms, which has been hypothesized to have an insignificant negative association with leverage, is consistent with our hypothesis. This suggests an inverse relation between earnings volatility and leverage ratio, which is meant to reduce the cost of capital, a firm prefers to use first internal funds and then external funds. This is the combined prediction of the trade-off theory and pecking order theory.

Liquidity (LIQ) of the firms shows that there is an insignificant relation with leverage in this study. However, the explanatory variable of this study has a negative relationship with leverage that support the expected direction and the result is consistent with the pecking order theory, which implies that firm with greater liquidity prefer to use internal sources of funds to finance new investments. Several studies' results are consistent with the pecking order theory such as Ranan and Zingales (1995), Bevan and Danbolt (2002).

Uniqueness (UNIQ) of the selected firms in cement Industry during the period is having a positive coefficient with statistically significant at 10% level but inconsistent with the expected impact. This implies that uniqueness of the firm plays a significant role in determining the capital structure. The finding is consistent with the pecking-order theory. Positive relation implies that firms with relatively unique products are expected to more R&D and selling expenses which require a higher demand for funds and a greater preference on external financing through the preferred source of debt. Ross (1977), also highlights the same argument.

6. Conclusion:

Capital structure and its influencing factors of the firm yet the core areas of research to the academicians and also an important issue to the corporate managers. In this context, we analyze the impacts of firm specific factors of the corporate capital structure of Indian firms related to cement industry. Among all the eight variables, the most important significant factors in explaining variance in leverage in the Indian cement industry are profitability, size, tangibility, non-debt tax shield and uniqueness. High value of coefficient of determination also indicates the good fitness of the model as well as high explaining power of the variables. The results also demonstrate that the relationships of all the selected variables except non-debt tax shield are consistent with the proposition of pecking-order theory. So, we conclude that, the pecking order theory mainly confirms the relationship and explains the determinants of capital structure in cement industry in India yet, it cannot be generalized for the industry as well as economy as a whole in the long run, which requires a broad base research study.

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A STUDY ON SHG BANK LINKAGE PROGRAMME IN INDIA

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ABSTRACT

Microfinance is a area which uplifts the rural poor. This became an emerging area in the recent times with the introduction of Microfinance Bill 2007 which was passed in the parliament during 2007. The microfinance has paved way in bringing opportunity especially to the women.

Models of SHG Linkage Model

- **Bank – SHG Active Support of SHPI**
- **Banks – SHG**
- **Bank – SHPI – SHG**

This paper evaluates the Self Help Group Bank linkage Programme in India. This paper also tries to explain the current trend with regard to this model. This paper emancipates in identifying the weak areas in SHG Linkage Model. This paper captures the essence of SHPI and the support given by banks through micro finance institutions. On an outline, This paper gives a in-depth view of this programme and highlights the emerging area in context with SHG Bank linkage Model

Introduction:

The microfinance sector is the emerging sector in the Indian Economy. The introduction of microfinance bill 2007 has evolved in bringing out the microfinance industry as an emerging sector in India. . The microfinance in India has an outreach of 22 million borrowers. The microfinance Industry has come a long way and now has diversified its product from savings, insurance, remittance and low cost education and healthcare services. At present Microfinance institutions are seeking to go for new issues in the IPO market and enter into the share market.

In recent times, microfinance is evolving at a great extent around the globe. This has evolved to a large extent after the evolution created by Noble Prize Winner Mohammad Yunus. Several steps has been initiated by the RBI for uplifting the poor especially the women in relation to microfinance sector .

History of Microfinance:

The history originates was found even in the ancient times. The informal lending systems can be traced in the period of Kautilya in the 4th Century BC. The money lenders were traditionally providing the credit to the rural poor. At exorbitant rates of interest leading to tough times to the poor.

After the success story of Grameen Bank in Bangladesh, founded by Mohammad Yunus who won the Nobel Prize were taken as a pioneer in emergence of this sector in India. Microfinance arrived somewhat late in India; Bangladesh's nongovernmental organizations (NGOs).

Types of Microfinance Institutions:

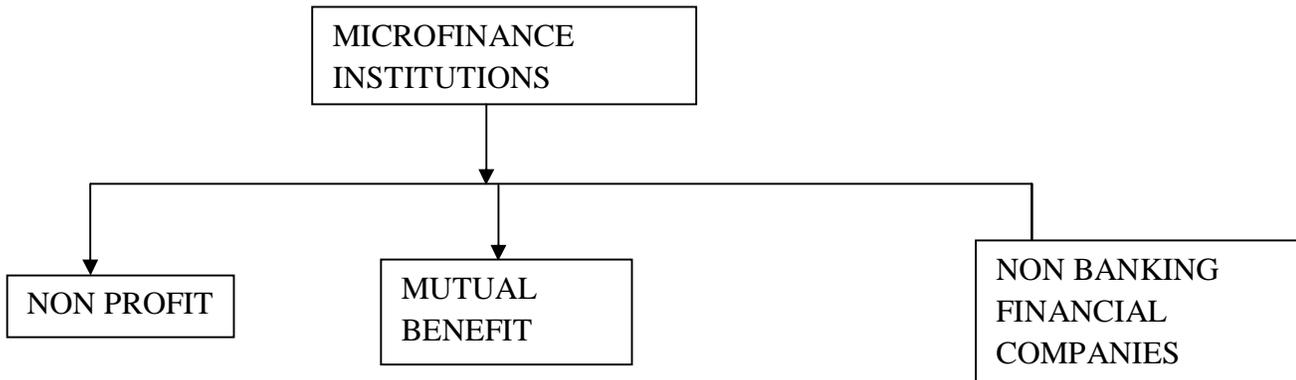


Chart showing the types of microfinance institutions

Microfinance Bill 2007:

The Government introduced the Microfinance Sector Development and Regulation Bill on 20th March 2007 in the Lok Sabha. This bill has 3 aspects namely selection of microfinance organizations, mobilizing savings, new regulator proposed as NABARD. The bill has a framework of combining the NBFCs, Trusts, Cooperatives.

The Microfinance (Development and Regulation) Bill 2010:

The Central Government has drafted a 'Micro Finance (Development and Regulation) Act 2010' which will apply to all microfinance organisations other than:

- a) banks;
- b) co-operative societies engaged primarily in agricultural operations or industrial activity or purchase or sale of any goods and such other activities;
- c) NBFCs other than licensed under Section 25 of the Companies Act, 1956;
- d) co-operative societies not accepting deposits from anybody except from its members having voting rights or from those members who will acquire voting rights after a stipulated period of their making deposits as per the law applicable to such co-operative societies.

The proposed Act provides that the Central Government will constitute a Micro Finance Development Council to advise NABARD on the formulation of policies, schemes and other measures required in the interest of orderly growth and development of microfinance services. The proposed Act also provides that a microfinance organisation which is providing thrift services or which intends to commence the business of providing thrift services should be registered with NABARD. NABARD has the responsibility under the proposed Act to promote and ensure orderly growth of microfinance services provided by the organisations covered by the Act. In furtherance of this responsibility it has the power to issue directions to such organisations and to carry out inspection of such organisations.

Current Status of Microfinance Industry.

The Recent crisis with respect to repayment in Microfinance Institutions in Andhra Pradesh is the most burning issue in the microfinance industry in India. Andhra Pradesh has the largest growth among the States like Tamil Nadu. This made RBI to concentrate on the MFIs in Andhra Pradesh and formed a

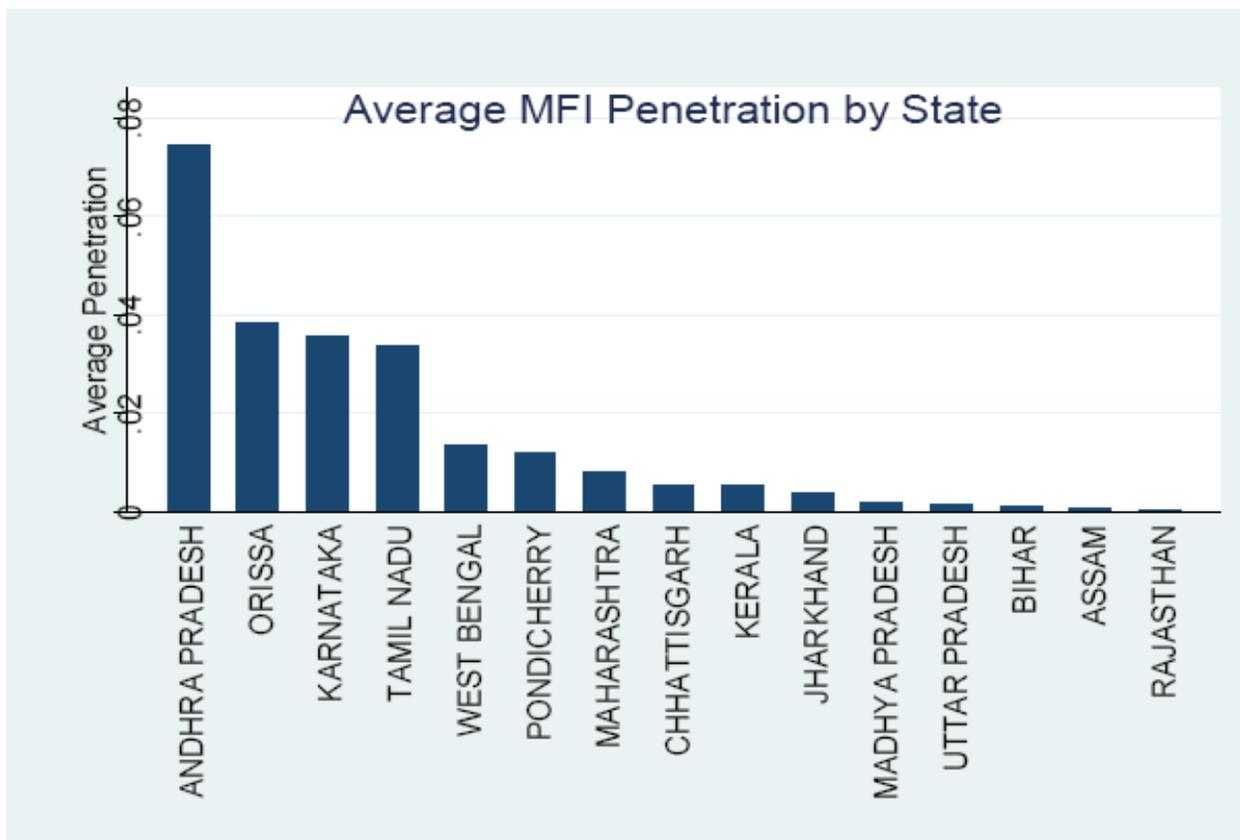
committee to review the MFIs in Andhra Pradesh. The Committee gave the report based on upon the review taken in the microfinance institutions in Andhra Pradesh.

Malegam Committee Report

This committee was formed to review the microfinance institutions and their repayment status in Andhra Pradesh It also examined the interest rates and lending practices. It also reviewed the regulation of MFIs for regulating the NBFCs. The subcommittee concentrated on the aspect of credit of low – income groups. The amount of loan, tenure of loan, frequency of repayments. The sub committee concentrated mainly on the NBFCs and Self Help Group Bank Linkage Model.

Growth of Microfinance in India

Today, Microfinance industry has grown to a large extent. Even though there was a recent financial crisis, but this did not affect the microfinance industry. The sector has grown to a large extent with a client base of 22.6 million in 2009. There is an increase of 33 % in the number of borrowers from 2008 to 2009.



Source: MIT Biswas Reading Group.

CHART SHOWING THE PENETRATION OF MFIS IN EACH STATE

Models of Microfinance:

1. Grameen Bank Model:

The Grameen System dominates in Bangladesh. This system was pioneered by Mohammad Yunus in 1976 and has grown rapidly. The members organize into groups of five members which are in turn organized into centres of around five to seven groups. The members make regular Savings.

2. Self Help Group Model:

The members form a group of around twenty members. The group formulation process may be facilitated by an NGO or by the MFI or bank itself.

3. Self Help Group Bank Linkage Model:

In this model, the self help group go one step further and promotes to access bank credit for their resources for lending to its members for meeting their credit need. This has resulted in increasing the high volume bank loan which makes to improve the standard of living.

Objective of the study:

PRIMARY OBJECTIVE:

- To get a detailed insight about the performance of self help group linkage programme during the financial years.

SECONDARY OBJECTIVE:

- To know about the self help group bank linkage model.
- To highlight the credit linkages between the self help group and bank
- To know the outstanding loan and loan disbursed between the banks and the self help groups.
- To know the no of women participants in this linkage programme
- To know the detailed growth about the self help group bank linkage model.

Self Help Group Bank Linkage Model:

The self help group linkage model was launched by NABARD in 1992. This became an emerging movement both in formal and informal financial system. This model is considered as the Self-help groups (SHGs) first emerged in MYRADA1 in 1985. In 1986/87 there were some 300 SHGs in MYRADA's projects. Many had emerged from the breakdown of the large cooperatives organized by MYRADA.2 In these areas, a number of members asked MYRADA to revive the credit system. They usually came in groups of 15-20. When reminded of the loans they had taken out from the cooperative, they offered to return them to MYRADA, but not to the cooperative, which in their experience was dominated by a few individuals

From the time that the first SHGs emerged in 1985 to the inclusion of the SHG strategy in the annual plan for 2000/01 (Government of India, 2000), several important steps were taken by the National Bank for Agriculture and Rural Development (NABARD), the Reserve Bank of India (RBI) and leading NGOs, as well as by multilateral agencies, particularly IFAD.3 The SHG strategy is an important component of the Government's overall thrust to mitigate poverty and has been included in every annual plan since 2000. This period of 20 years can be divided broadly into two phases:

Phase I From 1987 to 1992:

In this phase NABARD concentrated on supporting NGO activities to promote the self help groups and on analysing their potential and performance. In 1987, NABARD, raised funds for the SHG Movement in support with the report submitted by MYRADA in which MYRADA provided a grant for Rs 1 Million to enable in identifying affinity groups to build with their capacity and initiate savings. This paved way for NABARD to launch action research in 1989 which was further approved by RBI in 1990. NABARD issued guidelines to provide a structure which could allow banks to lend directly to SHGS. After some basic initiatives the SHG Bank Linkage Programme was launched. In 1992.

Phase II From 1992 onwards

The programme began with a 2 year pilot project to link 500 SHGs. This programme has already involved the contribution of NABARD since 1987. In the beginning stage the SHG movement was slow but later started to pick up. The support from RBI was tremendous. This has initiated and extended a tremendous growth in this programme to the poor. This programme has been proved to eliminate the differences in caste and creed and also other aspects.

The programme, over a period, has become the common vehicle in the development process, converging important development programmes. With the small beginning as Pilot Programme launched by NABARD by linking 255 SHGs with banks in 1992, the programme has reached to linking of 69.5 lakh saving-linked SHGs and 48.5 lakh credit-linked SHGs and thus about 9.7 crore households are covered under the programme, envisaging synthesis of formal financial system and informal sector.

Analysis of SHG Bank Linkage Programme

TYPE 1OF BANK	TOTAL
COMMERCIAL BANK	27
FOREIGN AND PRIVATE BANKS	19
REGIONAL RURAL BANKS	81
COOPERATIVE BANKS	318
SIDBI	1

Table showing the no of banks participating in SHG Bank Linkage Programme

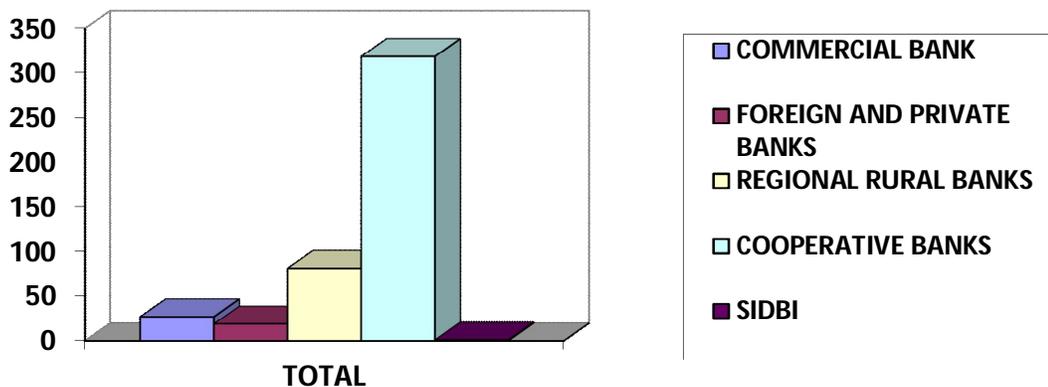


Chart showing no of banks participating in SHG Bank Linkage Programme

Source: NABARD Report

Inference:

In this chart we can clearly note that the participation of Cooperative Banks are very high.

PARTICULARS	2007-08(%)	2008-09 (%)	2009-10 (%)
SAVINGS	7.8	46.5	11.8
LOANS DISBURSED	34.7	38.5	9.1
LOAN OUTSTANDING	25.3	21.7	6.6
NO OF SHGS	20.2	22.2	13.6

Table showing the milestones of SHG Bank Linkage Programme

Source: NABARD Report

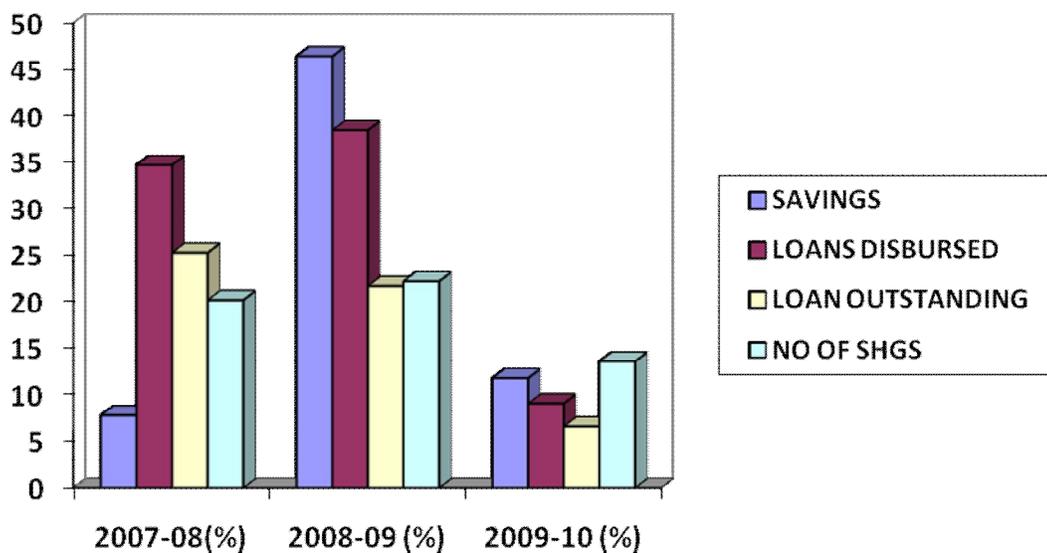


Chart showing the milestones of SHG Bank Linkage Programme

Source: NABARD Report

Inference:

The Loan outstanding in the year 2009-10 has been decreased and the savings have been reduced to a certain extent. The no of SHGs has also decreased when comparing the Year 2008-09.

PARTICULARS	2008-09(%)	2009-10 (%)
Commercial Banks	33.5	32.5
Regional Rural Banks	70.6	34.7
Cooperative Banks	44.7	56.5

Table showing savings of SHGs with Banks

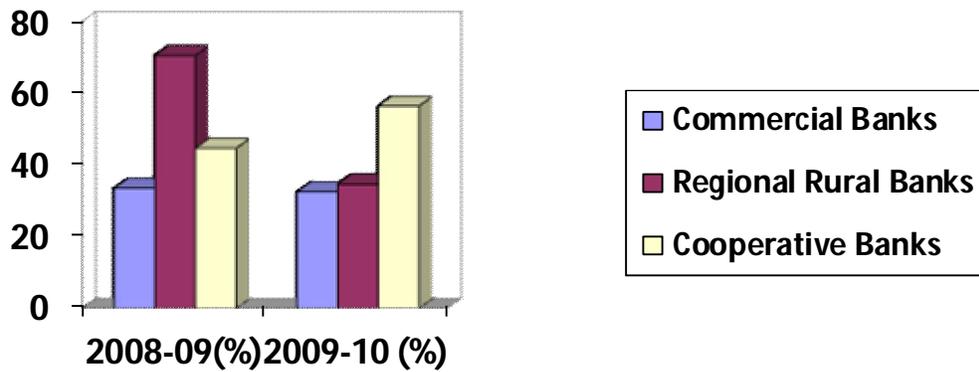


Chart showing the savings of SHGs with respect to banks

Inference:

The savings of cooperative banks has increased and commercial banks have been decreased.

PARTICULARS	2007-08(%)	2008-09 (%)	2009-10 (%)
Commercial Banks	61.1	65.8	67.7
Regional Rural Banks	30.0	26.1	23.1
Cooperative Banks	9.0	8.2	9.3

Table showing the loan disbursed by banks to SHGS

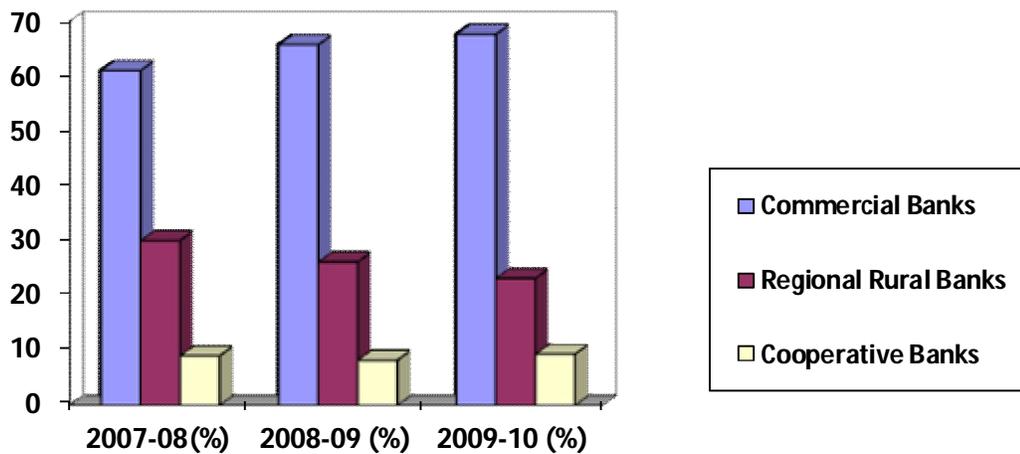


Chart showing the loan disbursed by banks to SHGS

Inference:

The Commercial banks and Regional rural banks has shown a consistent amount in the loan disbursed rather than cooperative banks

PARTICULARS	2007-08(%)	2008-09 (%)	2009-10 (%)
Commercial Banks	67.5	69.6	71.9
Regional Rural Banks	26.0	23.0	21.9
Cooperative Banks	6.5	5.8	6.2

Table showing bank loan outstanding against SHGS

Source: NABARD Report

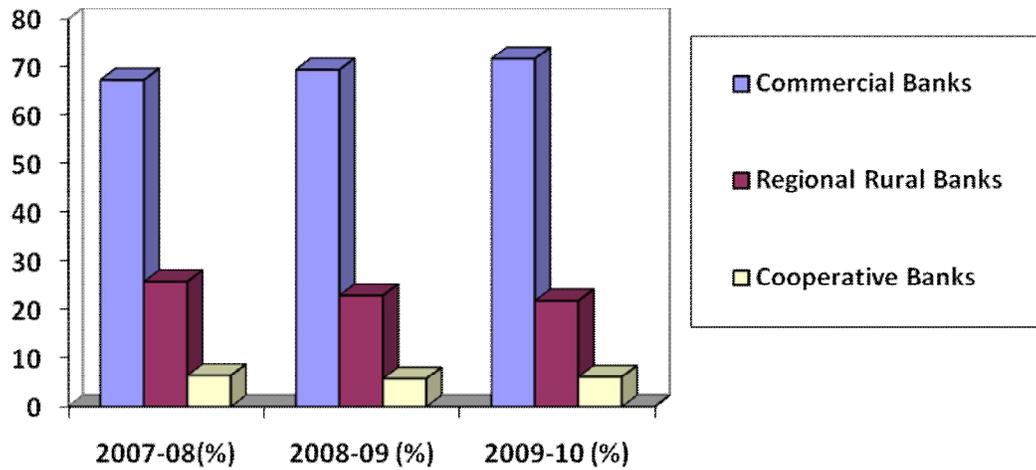


Chart Showing Bank Loan outstanding against SHGS

Source: NABARD Report

Inference:

The chart shows the lowest outstanding is the cooperative banks and highest is Commercial banks

PARTICULARS	2008-09	2009-10
>95%	29.6	34.1
80-94%	38.2	33.1
50 – 79%	22.1	23.2
<50%	10.1	9.6

Table showing recovery rate for SHG Bank Linkage Programme

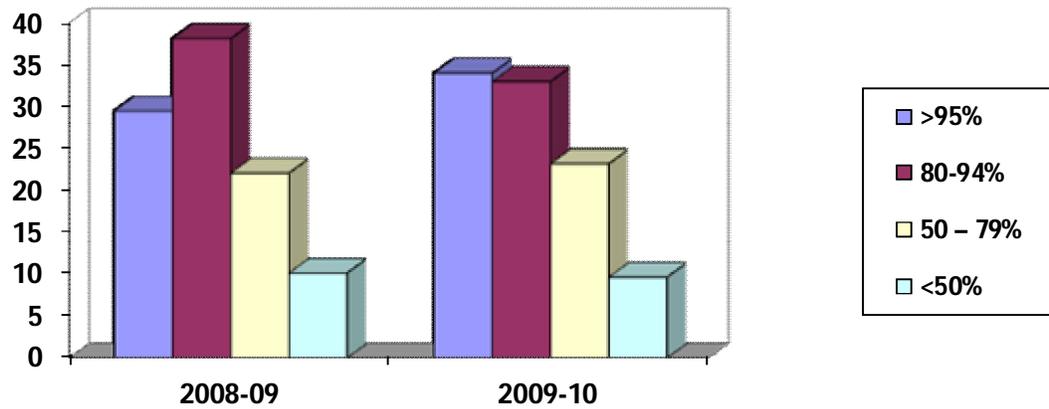


Chart showing the recovery performance of SHG Bank Linkage Programme

Inference:

The recovery performance greater than 95% has increased in comparison to 2008-09. The level of less than 50% remains the same.

PARTICULARS	2008-09	2009-10
Commercial Banks (Public Sector)	2.4	2.60
Commercial Banks (Private Banks)	1.7	5.44
Regional Rural Banks	4.2	3.56
Cooperative Banks	6.8	3.88

Table Showing the Non Performing Assets

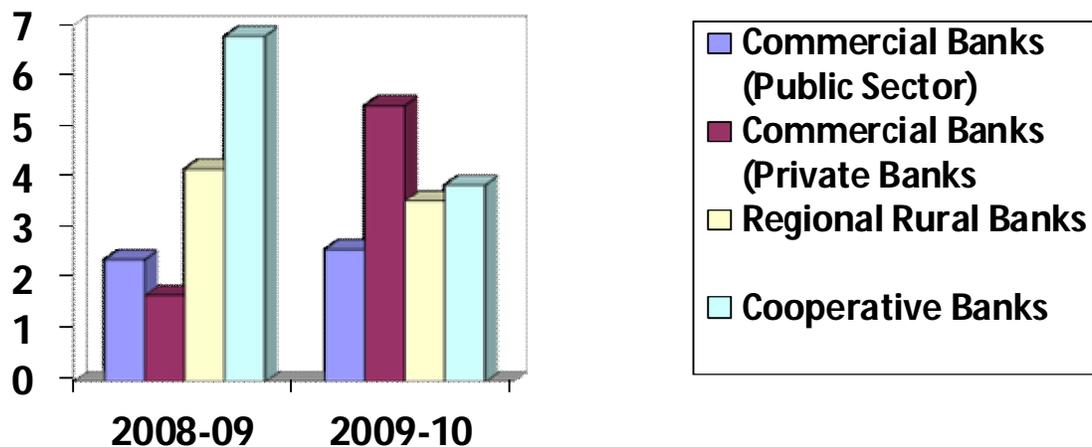


Chart showing the Non Performing Assets of SHG Bank Linkage Programme

Findings and Suggestions:

- The savings has been decreased in 2009-10 by 11 %
- Cooperative banks is the largest participating bank in this programme
- There is a drastic change in the total loan disbursed in 2009-10/
- The loan outstanding has reduced considerably.
- The savings in cooperative banks has gone up at enormous rate
- The commercial banks had a tremendous rise in the loan outstandings.
- The recovery rate is considerably good.
- The non performing has been at a alarming rate in commercial banks.
- The loan outstanding is alarming with respect to banks

Suggestions

- The loan outstanding is a major area which needs to be concentrated by banks and this may be because of high interest rates.
- The non performing assets with respect to commercial banks should be taken into account which may give a negative phase in the microfinance industry.
- Loan disbursed is not consistent in all the banks which needs high consideration.

Conclusion:

The microfinance industry is an emerging sector with respect to the Self Help Group Bank Linkage Programme. However there are certain flaws in the self help group bank linkage programme which needs to be rectified. It is evident that the recovery rate and the savings and the loan disbursed looks at a positive sight. At present, the participation and the support by the cooperative banks are tremendous.

However certain aspects of this programme needs to be considered with respect to the groups in order to maintain the model an efficient and effective one.

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3. www.google.com

AN EMPIRICAL INQUIRY INTO CUSTOMER PERCEPTION IN RETAIL OUTLETS

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ABSTRACT:

Service Quality within retail units is pivotal for contentment of customers, for retaining them and creating loyalty amongst customers. Service quality in retailing is different from any other service environment because of the unique nature of retail services. Measuring service quality is difficult due to its unique characteristics: Intangibility, heterogeneity, inseparability and perish ability. Service quality is linked to the concepts of perceptions and expectations Customer Service Perceptions provides us with an in-depth view of the customer's experience. Customers' perceptions of service quality result from a comparison of their before-service expectations with their actual service experience. The service will be considered excellent, if perceptions exceed expectations; it will be regarded as good or adequate, if it only equals the expectations; the service will be classed as bad, poor or deficient, if it does not meet them.

In retail business, service quality is one of the key determinants of success. This empirical paper has identified five dimensions of service quality viz. Physical aspects, reliability, personal interaction, courteousness, and problem solving & policy aspect and measures the customer perception towards the same. The study highlights the perception of customers surveyed in retail units in Karnataka and Kerala state.

Key words: Service Quality, Customer perception, expectation, reliability, gap analysis

1.0 INTRODUCTION

Retailing in India is growing at the rate of about 18-20 per cent per annum. As part of its strategy to gradually open it up to foreign competition, the government is also in the process of increasing foreign direct investment in the retail sector. At the same time, the urban consumer is becoming more discerning and demanding as far as the lifestyle is concerned. Urban Indian household income and purchasing power are also on the rise. Under such circumstances, the success of organized retailing in India mainly depends on delivery of services through quality improvements. (Parikh Darshan, 2006).

In service organizations, customer-perceived 'service quality' is considered as one of the key determinants of business performance. Service quality has drawn attention of researchers and managers in recent decades (Zeithaml, 2000). It has become a significant subject because of its impact on customer satisfaction. By satisfying customers through high quality service, business firms not only retain their current customers, but also increase their market share (Finn and Lamb, 1991). Service quality is perceived as a tool for increasing value for the consumer; as a means of positioning in a competitive environment (Mehta, Lalwani and Han, 2000) and for ensuring consumer satisfaction (Sivadas and Baker Prewitt, 2000), retention, and patronage (Yavas, Bilgin and Shemwell, 1997). With greater choice and increasing awareness, Indian consumers are increasingly demanding better quality of service (Angur, Natarajan and Jahera, 1999) and players can no longer afford to neglect customer service issues (Firoz and Maghrabi, 1994; Kassem, 1989).

2.0 SERVICE QUALITY:

Service quality is a critical component of customer perceptions about the service. Customers perceive services in terms of its quality and how satisfied they are overall with their experiences (Zeithaml, 2000). As thus, service quality is defined as customers' perception of how well a service meets or exceeds their expectations (Czepiel, 1990). In the retail context, perceptions of service encounters accumulate over time and a customer's relationship with an organization are a continuation of exchanges or interactions both past and present" (Czepiel, 1990). When customers evaluate retail service, they compare their perceptions of the service they receive with their expectations. Customers are satisfied when the perceived service meets or exceeds their expectations. They're dissatisfied when they feel the service falls below their expectations (Levy and Weitz, 2005).

Service quality in "pure" service settings and retail settings differ in the sense that quality is seen from the perspective of not only services but goods as well. Measuring service quality, therefore, can be rather complicated and difficult especially in apparel specialty retailing where it combines the selling of goods and services to the customers as well as the customers' expectations of knowledgeable, helpful staff to assist them during their shopping experience. Service quality in retailing is different from any other product/service environment (Finn and Lamb, 1991; Gagliano and Hathcote, 1994). For this reason, Dabholkar, Thorpe and Rentz (1996) developed the Retail Service Quality Scale (RSQS) for measuring retail service quality.

According to Dabholkar, retail service quality had a hierarchical factor structure which comprised of five basic dimensions. The five dimensions proposed were:

- i. Physical aspects** – includes functional elements like layout, comfort and privacy and also aesthetic elements such as the architecture, color, materials and style of the store.
- ii. Reliability** – a combination of keeping promises and performing services right.
- iii. Personal interaction** – the service personnel being courteous, helpful, inspiring confidence and trust in customers.
- iv. Problem-solving** – the handling of returns and exchanges as well as complaints.
- v. Policy** – a set of strategies, procedures and guiding principles which the store operates under such as high quality merchandise, convenient operating hours, availability of parking spaces and payment options.

The instrument uses performance-only measures (rather than the ,gaps between perceptions and expectations) because evidence exists that perception measures have a stronger predictive power than the gap score

3.0 RESEARCH METHODOLOGY:

Data were collected from customers distributed among selected stores of the retail chains in Mangalore & Calicut region, according to a non-probabilistic convenience sampling method. An appropriate sample size for each store in the chain was determined in proportion to the total population in the region in which the store was situated. More than one hundred and fifty questionnaires were distributed, but because of faulty filling and incompleteness only 100 questionnaires were usable. A modified version of RSQ measure developed by Dabholkar, Thorpe and Rentz's (1996) to measure the gap between the customers' expectations and their perceptions about the service quality of retail stores in India was used as the research instrument. The questionnaire consists of two parts,

PART A : Demographic details PART B : 27 questions of RSQ

The objective of the study was to measure the level of satisfaction of the customers towards 5 parameters in the retail outlets and suggest suitable measures to reduce the gap between customer expectation and perception.

4.0 RESULTS &DISCUSSION:

4.1 DEMOGRAPHIC DETAILS :

The analysis of the demographic details shows that 50% of respondents are male and 50% are female giving equal weight age to both the genders. The age wise analysis of the respondents shows that majority of the respondents were in the age group 15-25 years & 25-35 years (32%). The analysis of qualification shows that majority of them are graduates (37%) and the 25% are students among the respondents and 29% are professionals. The analysis of the income of the respondents shows that the average income is 4.5 lakhs per annum suggesting that they belong to the middle class families.

Table showing demographic variables of respondents

AGE	
• Below 15	8
• 15-25	32
• 25-35	32
• 35-45	20
• above45	8
QUALIFICATION	
• Below SSLC	19
• PUC	24
• UG	37
• PG	18
• OTHERS	2
AGE	
• Below 15	8
• 15-25	32
• 25-35	32
• 35-45	20
• above45	8
OCCUPATION	
• Student	25
• Business	16
• Professional	29
• Employed	15
• Housewife	15
INCOME (Rs)	
Below 1 lakh	40
1 lakhs -3 lakhs	24
3 lakhs -6 lakhs	25
6 lakhs -9 lakhs	8
above-9 l lakhs	3

Source: field study

The RSQS measures the customer perception about five dimensions viz: Physical Aspects, Reliability, Personal Interaction, Problem Solving & policies. A 5 point likert scale was used to measure the customer perception. The assumption was that customer expectation is a full 5 score and the deviation from the full score was considered to be the “gap”.

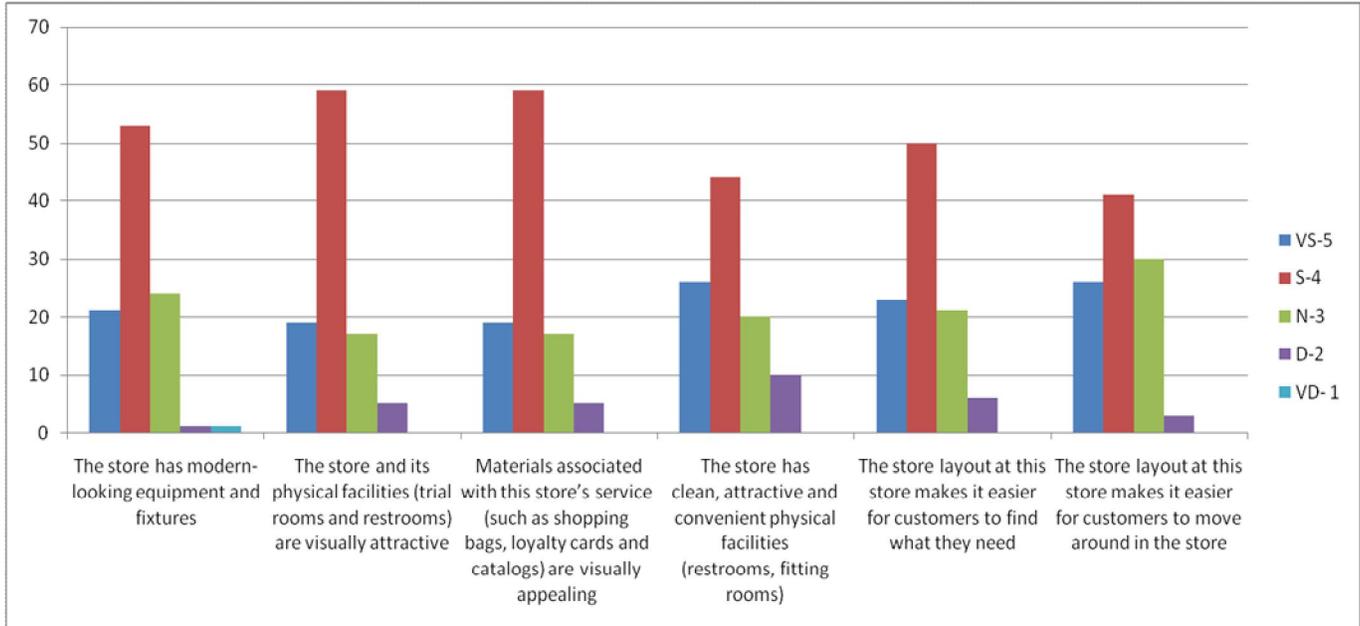
4.2 Analysis of customer perception about physical aspects in the retail outlets:

	SA-5	A-4	N-3	D-2	SD-1	MEAN	SD
The store has modern-looking equipment and fixtures	21	53	24	1	1	3.92	0.76
The store and its physical facilities (trial rooms and restrooms) are visually attractive	19	59	17	5	0	3.94	0.83
Materials associated with this store’s service (such as shopping bags, loyalty cards and catalogs) are visually appealing	19	59	17	5	0	3.92	0.75
The store has clean, attractive and convenient physical facilities (restrooms, fitting rooms)	26	44	20	10	0	3.86	0.92
The store layout at this store makes it easier for customers to find what they need	23	50	21	6	0	3.9	0.82
The store layout at this store makes it easier for customers to move around in the store	26	41	30	3	0	3.9	0.82

(SA –STRONGLY AGREE ; A –AGREE; N-UNDECIEDED , D-DISAGREE, SD –STRONGLY DISAGREE)

To understand the level of customer expectation with regard to the tangible features of the retail outlet six questions were posed namely on look of the furniture , materials associated, cleanliness of the stores, the accessibility to things and layout of the stores that makes it easier for customers to move around. On an average the mean scores have been around 3.91 , suggesting that the level of satisfaction is 78% . The Gap between expectation and perception is 1.09. The retail outlets have to concentrate more on the cleanliness and convenience aspects with special reference to trial rooms.

Graph no 1: Showing analysis of customer perception about physical aspects in the retail outlets:



(SA –STRONGLY AGREE ; A –AGREE; N-UNDECIEDED , D-DISAGREE, SD –STRONGLY DISAGREE)

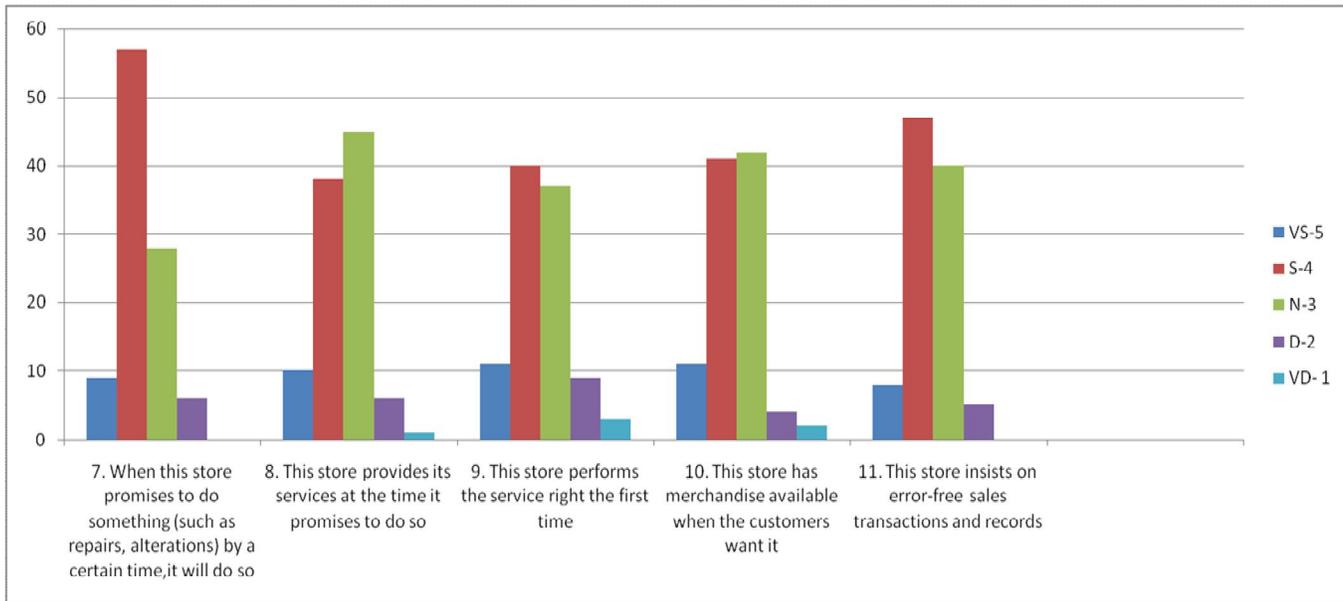
4.3 ANALYSIS OF CUSTOMER PERCEPTION ABOUT RELIABILITY IN THE RETAIL OUTLETS:

Statements	SA-5	A-4	N-3	D-2	SD-1	MEAN	SD
When this store promises to do something (such as repairs, alterations) by a certain time, it will do so	9	57	28	6	0	3.69	0.72
This store provides its services at the time it promises to do so	10	38	45	6	1	3.5	0.79
This store performs the service right the first time	11	40	37	9	3	3.47	0.91
This store has merchandise available when the customers want it	11	41	42	4	2	3.55	0.82
This store insists on error-free sales transactions and records	8	47	40	5	0	3.58	0.71

(SA –STRONGLY AGREE ; A –AGREE; N-UNDECIEDED , D-DISAGREE, SD –STRONGLY DISAGREE)

Reliability & trust are the fundamental features of any service organization. Four questions were posed to respondents to elicit their response on the level of reliability of the retail outlets. The average mean score of their response was 3.56 , resulting in a gap of 1.44. The level of satisfaction of the respondents is 71.16 % suggesting that they are just satisfied and not too happy with the reliability of the retail outlet. The respondents opined that the outlets are fairly good with repairs and alterations , but it is done only on repeated perusal and not on the first request besides they have suggested that the outlets do not insist on being error free, hence there are service promise failures.

Graph no 2: Showing analysis of customer perception about reliability in the retail outlets:



(SA –STRONGLY AGREE ; A –AGREE; N-UNDECIEDED , D-DISAGREE, SD –STRONGLY DISAGREE)

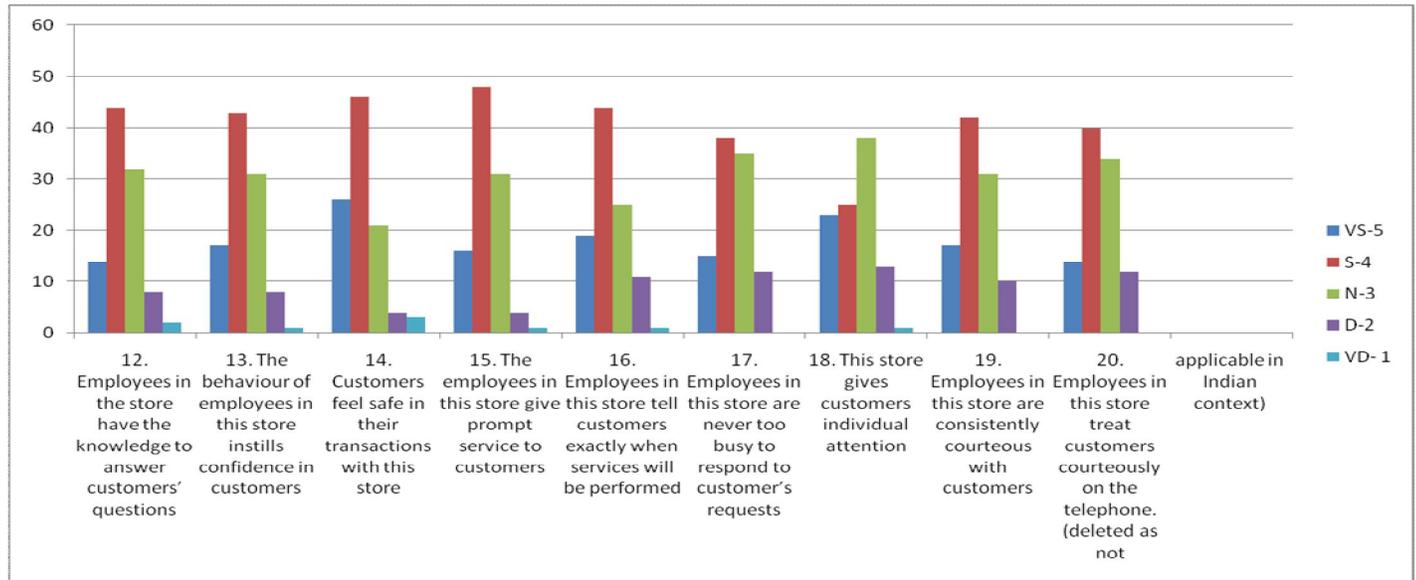
4.4 ANALYSIS OF CUSTOMER PERCEPTION ABOUT PERSONAL INTERACTION IN THE RETAIL OUTLETS:

	SA-5	A-4	N-3	D-2	SD- 1	MEAN	SD
Employees in the store have the knowledge to answer customers’ questions	14	44	32	8	2	3.6	0.9
The behaviour of employees in this store instills confidence in customers	17	43	31	8	1	3.67	0.89
Customers feel safe in their transactions with this store	26	46	21	4	3	3.88	0.94
The employees in this store give prompt service to customers	16	48	31	4	1	3.74	0.81
Employees in this store tell customers exactly when services will be performed	19	44	25	11	1	3.69	0.94
Employees in this store are never too busy to respond to customer’s requests	15	38	35	12	0	3.56	0.9
This store gives customers individual attention	23	25	38	13	1	3.56	1.08
Employees in this store are consistently courteous with customers	17	42	31	10	0	3.66	0.88
Employees in this store treat customers courteously on the telephone. (deleted as not applicable in Indian context)	14	40	34	12	0	3.56	.88

(SA –STRONGLY AGREE ; A –AGREE; N-UNDECIEDED , D-DISAGREE, SD –STRONGLY DISAGREE)

The service personnel being courteous, helpful, inspiring confidence and trust in customers is a normal expectation from the customer and they would not compromise on this factor. But the analysis of the customer perception towards personal interaction reveal a Gap of 1.35, that is the average score is 3.65. This suggests that to an extend of 27% the customer perception does not match their expectation

Graph no 3: Showing analysis of customer perception about personal interaction in the retail outlets:



(SA –STRONGLY AGREE ; A –AGREE; N-UNDECIEDED , D-DISAGREE, SD –STRONGLY DISAGREE)

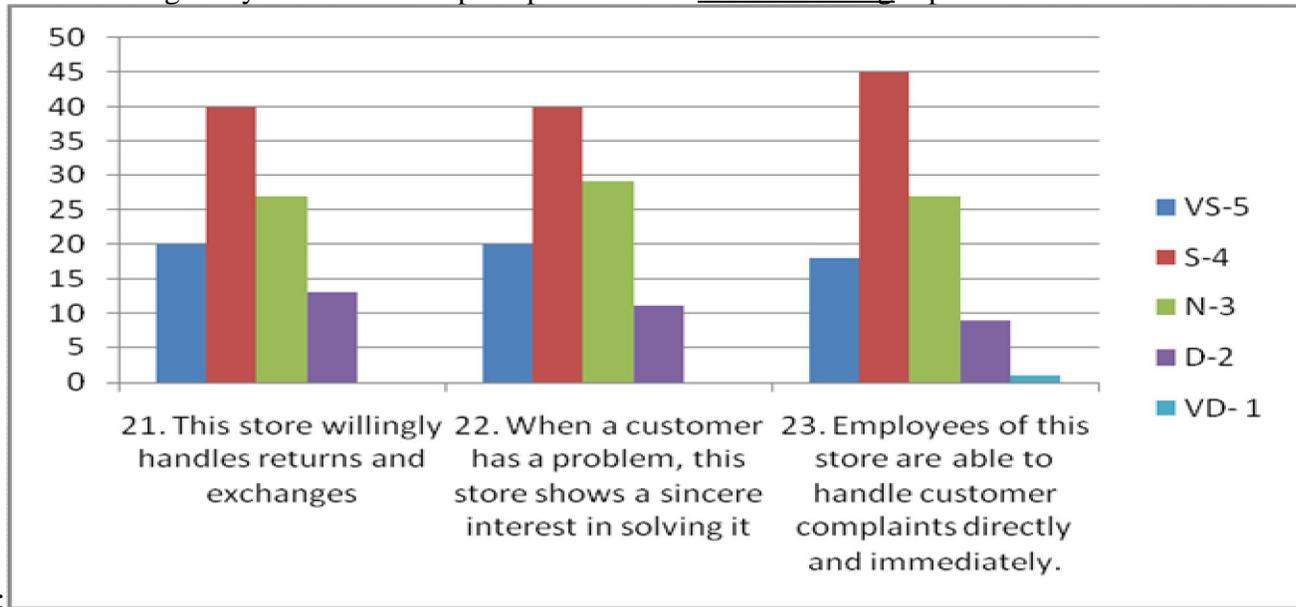
4.5 ANALYSIS OF CUSTOMER PERCEPTION ABOUT PROBLEM SOLVING ASPECTS IN THE RETAIL OUTLETS::

	SA-5	A-4	N-3	D-2	SD- 1	MEAN	SD
This store willingly handles returns and exchanges	20	40	27	13	0	3.67	0.94
When a customer has a problem, this store shows a sincere interest in solving it	20	40	29	11	0	3.69	0.91
Employees of this store are able to handle customer complaints directly and immediately.	18	45	27	9	1	3.7	0.9

(SA –STRONGLY AGREE ; A –AGREE; N-UNDECIEDED , D-DISAGREE, SD –STRONGLY DISAGREE)

Service recovery in today’s business setting is the prima facie for successful survival. Many titans in the business world are erased without trace because of not handling grievances properly. The opinion about retail outlets surveyed gives a fairly good picture that , 75% of the customers are satisfied with the problem solving abilities of the retail outlets around 45% of respondents have voted that stores handle returns and exchanges well, and show sincere interest in handling complaints.

Graph no. 4: Showing analysis of customer perception about Problem Solving aspects in the retail



outlets:

(SA –STRONGLY AGREE ; A –AGREE; N-UNDECIEDED , D-DISAGREE, SD –STRONGLY DISAGREE)

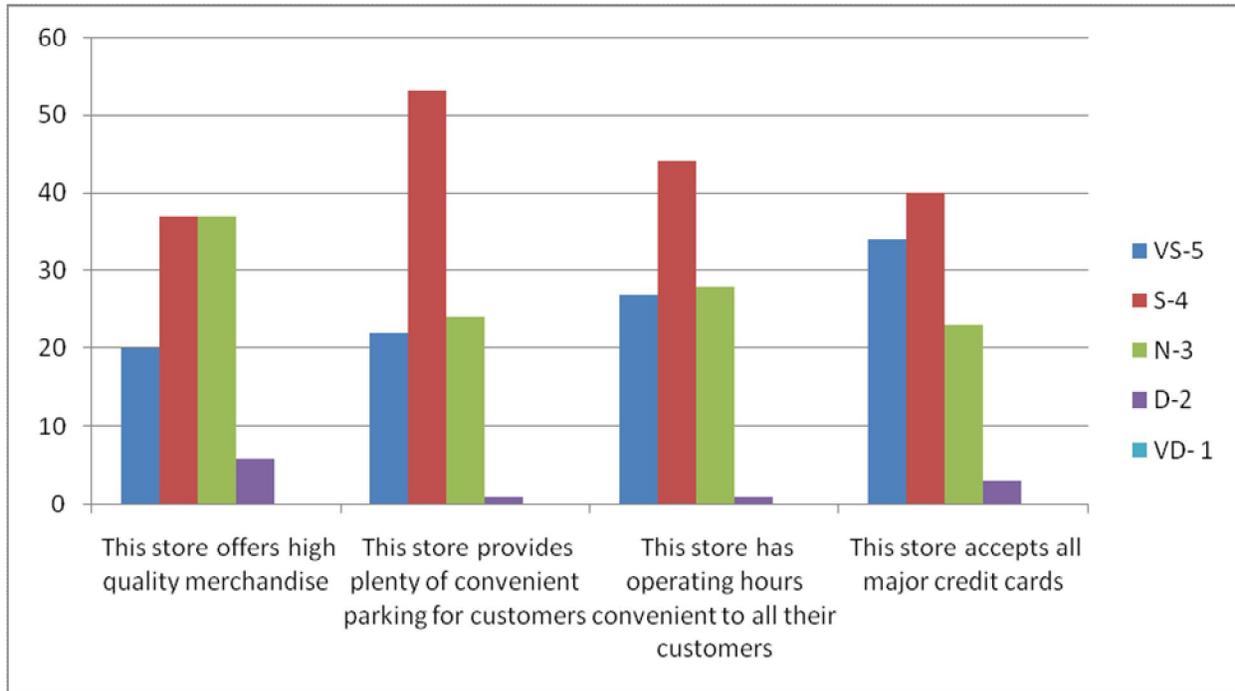
4.6 ANALYSIS OF CUSTOMER PERCEPTION ABOUT POLICY RELATED ASPECTS IN THE RETAIL OUTLETS::

STATEMENTS	SA-5	A-4	N-3	D-2	SD-1	MEAN	SD
This store offers high quality merchandise	20	37	37	6	0	3.71	0.86
This store provides plenty of convenient parking for customers	22	53	24	1	0	3.96	0.71
This store has operating hours convenient to all their customers	27	44	28	1	0	3.97	0.77
This store accepts all major credit cards	34	40	23	3	0	4.05	0.83

(SA –STRONGLY AGREE ; A –AGREE; N-UNDECIEDED , D-DISAGREE, SD –STRONGLY DISAGREE)

The respondents are relatively more satisfied with the quality of merchandise, parking, operating hours and acceptance of credit cards with the level of satisfaction of 78% and a gap of 1.1 .

Graph no 5: Showing analysis of customer perception about policy related aspects in the retail outlets



(SA –STRONGLY AGREE ; A –AGREE; N-UNDECIEDED , D-DISAGREE, SD –STRONGLY DISAGREE)

CONCLUSION:

In conclusion, it is apparent that retail stores need to gain and maintain a competitive advantage if they are to survive in this highly competitive sector. To do so, management must recognize that retail service quality is a crucial marketing tool. Retailers should frequently assess their customers ‘perceptions of service quality and develop appropriate policies to meet their customers “expectations”. As organized retailing develops in India, retail stores in India will have to improve the quality of their services significantly in order to compete successfully in the global marketplace. It is, therefore very important to know how customers evaluate service quality and what can be done to measure and improve it.

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CUSTOMER RETENTION STRATEGY WITH SPECIAL REFERENCE TO CO. JOHN DEERE

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ABSTRACT:

Globalization and technology improvements have exposed companies to a situation with tough competition. In this new era companies are focusing on managing customer retention in order to efficiently maximize revenues. Today marketing is not just developing, delivering and selling, it is moving towards developing and maintaining long term relationships with customers. Relationship marketing is becoming important in every business. Managers really need to look at areas where opportunities lie, because industry consolidation, virtual delivery channels and the ability to move money around with a click of a mouse are making it easier for customers to leave one bank for another. In this situation Customer retention is an opportunity that companies can avail to rise above minor advantages by developing actual relationships with their customers. The purpose of this study has been to investigate how Customer retention effect our business and why your customer may leave you. Definition and benefits of Customer retention, customer retention strategies adopted by John Deere , effective Customer retention strategies and also the effect of customer retention on success and failure of companies.

Keywords: Customer Retention strategies, Competition, Relationships with customers, Relationship marketing, Industry

INTRODUCTION:

Customer retention is the activity that a selling organization undertakes in order to reduce customer defections. Successful customer retention starts with the first contact an organization has with a customer and continues throughout the entire lifetime of a relationship. A company's ability to attract and retain new customers, is not only related to its product or services, but strongly related to the way it services its existing customers and the reputation it creates within and across the marketplace.

Customer retention is more than giving the customer what they expect, it's about exceeding their expectations so that they become loyal advocates for your brand. Creating customer loyalty puts 'customer value rather than maximizing profits and shareholder value at the center of business strategy'. The key differentiator in a competitive environment is more often than not the delivery of a consistently high standard of customer service.

Customer retention has a direct impact on profitability. Research by John Fleming and Jim Asplundh indicates that engaged customers generate 1.7 times more revenue than normal customers, while having engaged employees and engaged customers returns a revenue gain of 3.4 times the norm.

OBJECTIVE OF THE STUDY:

The aim of this study is to understand the following points :

- To analyze the importance of customer retention strategies .
- To analyze the customer retention strategies adopted by John Deere .
- To find out the effective customer retention strategies .

- To find out the effect of customer retention strategies on success and failures of companies .
- To find out the reason why our customer may leave us.
- To find out how we can retain our customer by providing them maximum satisfaction.

RESEARCH METHODOLOGY:

Research is an important pre-requisite for a dynamic study of any type. Precise research is a more systematic activity directed towards the discovery and development of organized body of knowledge.

SECONDARY DATA

The methodology followed in conducting the study is to collect data regarding customer retention strategies of John Deere and also to study the behavior of consumers how they are responding towards John Deere products. The data & facts were taken from many journals, periodicals, published materials, and internet also.

Introduction

JOHN DEERE & Company, most commonly known by its name **John Deere**, is an American corporation based in Moline, Illinois, and one of the largest manufacturers of agricultural machinery in the world. In 2012, it was established in 1868 and was listed as 97th in the Fortune 500 America's ranking and 190th in the Fortune 500 Global ranking. Deere and Company agricultural products, sold under the John Deere name, include tractors, combine harvesters, cotton harvesters, balers, planters/seeder, sprayers, and UTVs. The company is also a manufacturer of construction equipment and forestry equipment, as well as a supplier of diesel engines and drive trains (axles, transmissions, gearboxes) used in heavy equipment. Additionally, John Deere manufactures equipment used in lawn, grounds, and turf care, such as walk-behind lawn mowers, zero-turn lawn mowers, lawn tractors, and snow throwers. To support the core businesses, John Deere also provides financial services and other related activities.

The company's slogan is "Nothing Runs Like a Deere" and has a picture of a leaping deer as a logo, a word play pun on "nothing runs like a deer". Carl Westby coined the phrase "Nothing Runs Like a Deere" for a marketing campaign to sell snowmobiles. The company's products are also identifiable by its distinctive shade of green paint, usually augmented by yellow trim.

CUSTOMER RETENTION STRATEGIES OF JOHN DEERE

JOHN DEERE

Lifelong Loyalty Program

Integrated Services

- Program Development
- Logo Development
- B2B Marketing Strategy
- B2C Marketing Strategy
- Direct Mail Campaign
- Packaging
- Retail Point of Purchase
- Print Campaign
- Catalog Design

John Deere's Strategy:

Mission Statement

Who Are We?

John Deere has grown and prospered through a long-standing partnership with the world's most productive farmers. Today, John Deere is a global company with several equipment operations and complementary service businesses. These businesses are closely interrelated, providing the company with significant growth opportunities and other synergistic benefits.

Where Are We Going?

Deere is committed to providing Genuine Value to the company's stakeholders, including our customers, dealers, shareholders, employees and communities. In support of that commitment, Deere aspires to:

- Grow and pursue leadership positions in each of our businesses.
- Extend our preeminent leadership position in the agricultural equipment market worldwide.
- Create new opportunities to leverage the John Deere brand globally.

How Will We Get There?

By pursuing the broader corporate goals of profitable growth and continuous improvement, each of the company's businesses is expected to:

- Achieve world-class performance by attaining a strong competitive position in target markets.
- Exceed customer expectations for quality and value.
- Earn in excess of the cost of capital over a business cycle. By growing profitably and continuously improving, each of the company's businesses will benefit from and contribute to John Deere's unique intangible assets:
- Our distinguished brand.
- Our heritage of integrity and teamwork.
- Our advanced skills.
- The special relationships that have long existed between the company and our employees, customers, dealers and other business partners around the world.

How Will We Measure Our Performance?

Each business will make a positive contribution to the corporation's objectives in the pursuit of creating Genuine Value for our stakeholders. Our "scorecard" includes:

- Human Resources - Employee Satisfaction, Training
- Customer Focus - Loyalty, Market Leadership
- Business Processes - Productivity, Quality, Cost, Environment
- Business Results - Return on Assets, Sales Growth

STRATEGIC ISSUES AND PROBLEMS:

Strengths:

Brand Recognition

As one of the best known and most widely respected brands in the industry, Deere enjoys several advantages over its competitors, such as when negotiating credit issues with their dealers.

Customer loyalty

A consequence of Deere's excellent reputation and their thoroughness in following up with customers and purchases, as well as their timely responses to complaints has been the growth in customer loyalty. This makes it more than likely that a customer who has purchased a Deere product in the past will return to them for future purchases as well.

Research and Development

Deere's efforts to provide cutting edge technology for their products has helped them to develop their technical competence into a strategic strength. By improving their products and ensuring that they are environmentally sound, the company attracts positive attention from public newsgroups, which further enhance its image in the market.

Product Diversification

With a broad spectrum of product offerings, Deere is able to compete in numerous market divisions and can thus offset slower periods in one division with another. Furthermore, their diversified operations also present them with a number of opportunities to enter new markets.

Employee Benefits

Deere is comprised of not only their manufacturing divisions but also their health care and credit divisions, which in addition to helping out customers, also cater to the needs of Deere's own employees. By servicing the needs of their employees effectively, Deere continues to be an excellent firm to work for and is able to keep their employees highly motivated and keep employee turnover low.

WEAKNESSES:

International Expansion

While concentrating on international emerging markets can be an opportunity, it can also be a weakness because it involves substantial capital investment in each new market with the setting up of new assembly lines and plants.

Information Technology

As Deere continues to expand the requirements of their IT infrastructure and network become more complex and with expansion into other countries the need for an efficient and high-speed network grows. The implementation of a complex enterprise-wide information system will be one of the large expenses that Deere will have to incur. Deere's extensive network will also necessitate a loss of flexibility, which smaller, local competitors might enjoy.

Consolidations

One of the greatest threats to Deere is the current trend of consolidation. While Deere tries to concentrate on penetrating new markets, some of its competitors are focusing on mergers and acquisitions to reposition themselves in the industry and prove more of a threat to Deere. A point in case is the recent merger of Case and New Holland. While each firm individually was sizably smaller than Deere, the result of the merger is a firm that matches Deere in most respects and in fact has an asset base that is larger than Deere's.

Distribution

One of Deere's weaknesses as of now is its inferior distribution network. Caterpillar, one of Deere's closest competitors in the construction industry has a superior setup and can guarantee that any

replacement part will be delivered to the customer within 48 hours. With assertions like that to compete against, Deere will have to invest considerable resources into their own distribution channels.

EFFECTIVE CUSTOMER RETENTION STRATEGIES FOR COMPANIES

Customer retention is on the minds of small and medium businesses across the world. With rising **customer acquisition costs**, businesses need to get innovative and start taking a proactive role in retaining their clients.

Studies from the U.S. Small Business Administration and U.S. Chamber of Commerce have found that acquiring new customers can cost as much as five to seven times more than simply retaining existing customers.

The following nine customer retention strategies will give some inspiration and practical examples to help to improve the customer retention rates.

1. Set customer expectations

The best thing you can do to start building better customer retention is to set client expectations early. Don't wait to set the expectations, the earlier the better.

By setting expectations early, you are able to eliminate any uncertainty as to the level of service you need to be providing to ensure your clients are happy.

It's important to know that clients tend to **remember negative experiences**. So if you have over delivered in the past 20 occasions but that one time you undelivered – your client will no doubt quote that negative experience as a reason to cancel their contract with you.

2. Be the expert

Small and medium sized businesses are becoming more and more dependent on services to run their business. No matter what industry you are in, if you can be the expert in your particular field, you will go a long way to retaining more customers.

If you are looking for ways to build trust with clients, take a look at some industry specific problems facing your clients at the moment. **Compliance and regulations** are big buzz words among small businesses.

Give your clients a quick courtesy call – inform them of the upcoming changes and provide some insightful recommendations as to the best plan of attack for them. This proactive, personalized approach will go a long way to building customer loyalty and contributing to your customer retention strategies.

3. Build trust through relationships

As the age old saying goes, **you do business with people you trust**. Trust is a big factor in business and building relationships with your clients will go a long way to gaining their trust.

A study by the African Journal of Business Management found that as trust increases, commitment tends to get stronger. It goes on to recommend building trust through shared values.

So what are shared values? These are areas where you can share an interest in their business. It means you actually need to take an invested interest in your clients. Do some research into their business. A good way to start is by asking one simple question next time you stop by for a quarterly check-up. Ask your client - what differentiates them from their competitors. Once they tell you, **remember that** and

make a note to do some extra research and find ways that you can assist them. Give them a follow up call the next week and let them know what you came up with, **this shows you have a shared value and are genuinely interested in their business.**

4. Implement anticipatory service

Anticipatory service is a **proactive approach to customer service**. Instead of waiting for problems to occur, a company who implements anticipatory service can eliminate problems before they happen.

Aspect wrote a white paper, **Four Reasons Why Proactive Customer Care Means Customer Loyalty**, which explains the science of customer relationships as being simple – the value you get is proportionate to the value you give.

To achieve and maintain this harmony, today's companies must establish a dialogue with customers that shows an awareness of their information needs and respect for their communication preferences.

5. Make use of automation

Automation tools allow for the time-consuming tasks requiring manual intervention to be standardized into repeatable processes. Companies who leverage automation are able to focus more time on minimizing downtime and keeping clients networks performing at their best.

6. Build KPI's (Key Performance Indicator) around customer service

A great way to **improve customer retention** is to improve customer service. As outlined at the beginning on this post, **68% of your customers** leave because they were dissatisfied with the service. The team at R&G Technologies, was facing some similar numbers. They set out to rectify the problems right from the source.

R & G implemented customer service KPIs built around their SLAs (Service Level Agreement). This way, every R&G employees performance was being measured and incentive's based on their level of service which was closely tied into the clients SLAs goals.

7. Build relationships online

Your clients are online, so let's start building relationships with them while they are glued to their computer screens. With the rise of social media, it makes sense to start connecting with your clients on these mediums. I would focus my efforts on building social profiles on **LinkedIn, Twitter** and **Facebook**. The majority of your clients will have active profiles on at least one of these websites.

8. Go above and beyond

Often times, companies overlook how important this is. Going the extra mile for your customers is an easy way to build strong relationships. As a service business, you have lots of opportunities to **woo your clients** and go above and beyond what is required.

By doing this, you can build some serious long term loyalty. If your clients know you are prepared to do that bit extra, they will **stick with you** when competitors start knocking on the door.

9. Implement customer feedback surveys

Customer churn can be avoided by simply just **listening to your customers**. Customer feedback surveys are a great way to learn how your service is performing in relation to your clients expectations.

Qualtrics defines customer retention as being individualized and varied across the kind of product or service provided, the kinds of customers served, the number of customers served, the longevity and frequency of customer/supplier interactions, and how you intend to grow your business.

Client Heartbeat has identified **three key metrics** you need to monitor to ensure you can measure customer retention most effectively:

- **Firstly**, you need to monitor customer feedback on an individual level. You'd be wasting time comparing feedback across a wide, broad range of customers. You want to narrow down to a specific client, see what they thought and take action from there.

- **Secondly**, you need to trend feedback across a period of time. You need to be tracking feedback survey to survey so you can see which areas have improved and which have suffered.
- **Thirdly**, you want feedback from customer surveys to provide intelligence. You need it to provide you with data as to what customers are at risk, which areas of your business need improvement and where your business' strengths lie.

All this feedback can help you retain clients. By understanding client feedback, you can take action before it's too late and make business decisions based on real data-driven feedback.

CONCLUSION:

Due to tough competition companies are focusing on managing customer retention in order to efficiently maximize revenues. John Deere is also focusing on retaining its customer. It has adopted various customer retention strategies. Although it has been very successful in retaining its customer it is also facing some challenges like inferior distribution network. , Deere will have to invest considerable resources into their own distribution channels. One of the greatest threats to Deere is the current trend of consolidation. At the end every company should focus on their customer retention strategies along with their profitability and customer satisfaction approach.

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INNOVATION IN HIGHER EDUCATION - CHANGE THE WAY OF LEARNING IN INDIAN EDUCATION SYSTEM

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ABSTRACT

In 21 century economy is driven by innovation and knowledge, education system that prepares students, workers and citizens to success in the global skills. In India, education is from very long ago from the Gurukul's to modern day colleges and universities. In today's scenario higher education is a synonym of success in professional career for aiming a good job with handsome salary and good growth prospect. Every student and their parents aims on this after completing higher education. In India we are still following the old and traditional method of education teacher centric where teacher taught the students and get benefited. The era of globalization and severe competition where the requirement of employable candidate is must is our education system producing employable candidates, may not be 100% if yes, then it's time to reform, innovate the approach of education system. Put the right ingredients, some creative and innovative elements, new way of thinking to help the students like knowledge exchange, social engineering, student's centric learning system, proper interaction with industry and academia to measure the requirement for the employable candidate, time to time updating syllabus, use of ICT and FOSS as all the young students are well versed with technology make the students responsible for their career path and support them to attain the goal.

The paper aims, by using innovation in learning students should be employable after completing the higher education. Innovate the way to make proper use of education system to make students employable after completing higher education, innovate and change the learning system if the current system is not providing the sufficient result.

Keywords: *Innovate, Higher Education, Student's Centric Learning, Social Engineering, Quality Teaching, Employability, Indian Education System, ICT and FOSS.*

Introduction:

India is a big hub for trade and practices from a long time, many international organizations are doing business practices in India. India is a talent pool from last many decades many Indians has been got recognition for their work in India and the world. In today's global scenario information and knowledge is the key for success. Indian education system are providing higher education from many years in traditional approach like teacher centric approach in which teacher is coming to the class and give the best of him/her to the students. This teacher centric practice is in fashion from the Gurukul to the modern era nothing has been changed in the approach. As time is the only thing that constantly changes and for existence we have to adapt to it. Now it's time to think critically and out of the box thinking is required to ponder attention on the fact that is today's Indian education system, are we producing the 100% employable candidates the answer may not be in Yes, the aim of every students who is pursuing studies to get a good job with handsome salary and future growth prospects, all can be achieved if the candidate is employable. There could be multiple reasons for the present problem lack of information to the student what, why and how like what course/ stream to select, why to select and how is my selection is going to help me in future to achieve my goal.

Students after completing their education came into the market with theoretical knowledge and no or very less practical knowledge about the corporate world, organization do not find the candidate employable, this is the one of the reason of low placements in many colleges and universities. To overcome this problem some companies like Infosys in IT sector has been running campus connect programs to make a candidate fit for the organization they work upon the candidate in many aspects like behavioral, emotional, personality development etc. to make a person suitable for the organization.

We have very vast field and thousands of students graduating from many streams every year but still unemployed, it is now the time to think some innovative approach to find the way out. Innovation in higher education is required for this students, teachers, corporate world, international market's understanding, regulating bodies of education system should work in a cohesive manner to achieve the target. Use of technology, social engineering, introduction of student centric approach etc. can be included in the new thinking process.

The need of Innovation in higher education system:

In India there is an acute need for change in education system what is being running from last so many years, it need to be changed in a way keeping all the good values of old system and merging the best from new approach of learning. To understand the need for innovation from the point that we are still teaching in old and traditional way where students comes to study only to clear out the exams they learn whatever is in their syllabus and whatever is told by the teacher. Due to globalization many MNCs are coming to the Indian market to expand their business and they require qualified, adaptable, target oriented candidates to fulfill their goals.

In a college when a company comes for the placements they took the cream of the college only few got selected from campus and they undergo the further training process run by the company to make the students adaptable to corporate culture and work in a team to achieve the goals for the company. What about the others who are not selected in campus placement, getting not selected in campus placements or not suitable for employment is the end result, but what is the cause of that is still behind the scene.

There could be many reasons to find out the exact cause few are as follows:

- Poor linkage in academia and industry interface.
- Poor quality and short time employed faculty.
- Inadequate payments to the resources.
- Less involvement in research activities of faculties.
- Lack of motivation for the faculties to develop their research area, quality improvement etc.
- Poor interaction in between faculty and students.
- Lack of information to the students why this course is best for them, how it is going to affect the placement scenario, the course content are up to the mark with requirement of industry.
- Lack of financial and infrastructural support.
- Role of regulating bodies like AICTE, UGC, technical universities, government policies etc.
- Involvement of students.
- Flexible learning not available in traditional system.
- Lacking the responsibility feeling by the students.

There could be more reasons, but they all indicates that this is the time to think about to change, innovate do something creative to overcome the hurdles, the old traditional way of teaching is a proven fact but in due course of time it needs something new to be added.

The following Fig. 1 shows the interaction between the industry, institutes and students the industry wants employable candidates with sound theoretical and practical knowledge about the subject the institutes were also delivering the conceptual information to the students but still in traditional way although many things have been included to improve the teaching like group discussions, internship, presentation etc. but

still the complete involvement of students lacks this may be due to less involving of students in the process either students do not want to participate or the traditional pattern of teaching stops them. The result is not in favor of students and institutes also with the point of view of industry. The fact of employability is still missing in students, a very few students evolve from the process as employable fit according to the standards of industry.

The Fig. 1 depicts the relation between all three stakeholders of higher education but still it is not clearly defined by industry what are the criteria for the students to get employed or what actually industry wants, what the students are actually learning of just completing their education for the sake of getting pass in the examination, institutions teaching students according to the prescribed syllabus provided from the regulating bodies the point is that the syllabus is fit for industry requirements and enhancing the skills of the students is a big question mark.

In the current situation there is acute need of redesigning the whole process as due to globalization many MNCs, students coming from other countries for getting educated in India, to make Indian students compatible with international standards make use of latest technology, ICT, social engineering etc. to get the latest and make the students compatible to the employability standards.

The Knowledge means combination of Innovation, Research and Creativity supported by Education that involves Attitudes, Entrepreneurship and Skills.

The question of employability:

The question of employability is still standing as a breaking news in front of us, industry wants employable candidates and institutes and students are trying hard to get the things done but the results are not as per the expectation, this paper tries to suggest few things to bridge the gap. The process should be educate the students empower them with all tools they will automatically elevate themselves and others also. To make a person fit for the market either employable or make or train a person to establish its own industry became an entrepreneur our current education system does not help a student to become entrepreneur, the environment is not available in the education system a very few are doing this but the success rate is very low, although govt. and other private foundation are working on the same but due to lack of information, lack of risk taking ability, vision, career path etc. lower downs the success ratio.

To make a person employable we have to shift from teacher centric approach to student's centric approach so that the blame game is over, students are equally aware and responsible for their career and they will interact with the industry and corporate world to seek the information what they actually want in a employable candidate for this they can have simulation projects, live projects, working on companies portfolio, contacting various alumni of the institutes collect the information change the syllabus if not possible work hard to attain the required knowledge by outsourcing.

Indian education system:

The traditional one from Gurukul to the modern era, nothing have been changed we are still following one way route although we encourage students to interact but in class is it really happens. Parents in India decide as what should the students study if he is a boy then engineering if girl then doctor everything is pre decided by parents, when students came to institutes they say my father has decided to that this branch or course but what about the students own interest about subject his natural ability to learn. In the era of cut throat competition, after completing higher education when a student does not find himself employable according to industry or not getting sufficient amount he doesn't find anybody to blame.

It is now the time to think out of the box, think creative mix the best part of the old and device new system to improve the system and its outcome. As institute we have to prepare the students according to the market conditions, if the syllabus is not at par, then arrange the resources to support students and the services could be chargeable. Engage students in ongoing, reflective and collaborative analysis of

learning. The importance of knowledge today is very necessary to understand by the students mere getting above 80% marks does not guarantee successful career. The real world is completely different from the book world, to get success in real world students need to know the power of knowledge the application of knowledge.

A great thinker said that:

Talk to me ---- and I will forget, Show me ---- and I will remember, Involve me ---- and I will understand, Step – back ---- and I will act, by --- Confucius at this situation it is time to get involve the students so that they will understand the gravity of the situation and get one step back so that they will act to the quest of knowledge that will thrive them for their betterment. For doing this we have to shift from the traditional system of teaching to students centric approach. Students have different pedagogical needs. Some learn better through trial and error, others learn through practical experience. For some learners much is learned by reading literature, others need to debate and discuss theory in order to understand it. Students need to be motivated for success and their career, there are some non-motivated students who do not know why they are really into higher education they are satisfied with the old and may be outdated course curriculum and approach of education system they want only degree.

Many students leave high school without the knowledge and skills they really need for success in further education. If students are knowing the skills what we are trying to teach them again they will lose the interest of learning and they will find escape route from education system, now a days the students are no longer passive consumers of the educational programs and services, but active participants in the educational process. Working In a cross cultural environment – in education sector students are coming from different regions of world in India like MNCs with more active participation among the students they can learn the cross platform culture.

Education sector is one of the fastest growing sector from play schools to universities the sector is booming but the end result of the education sector is not acceptable at large by industry and corporates that generates the question of employable talent. In India the education sectors is known as officially not for profit, but the growth of education sector number of application to the regulating bodies for opening up new universities and colleges gives a different picture. In real sense, if it is a profitable sector then we should convert this sector officially as for profit sector where people like other industry put their money and earn profit by giving quality product. The quality is all that matters in every industry no one is going to buy substandard product in today's scenario.

Student's centric approach:

There are two types of approaches one is traditional, teacher oriented or content oriented another one is student centric. In student centric approach the knowledge is constructed by students and the lecturer is a facilitator of learning instead of delivering of content. Students had to find out what to study, how to study and why to study the specific topic or course content. The students are actively involved in the learning cycle and emphasis is on deep learning and understanding of matter not to just pass the academic examination. In this kind of approach there is an interdependence of teacher and learner. What to study and why to study the answer should come out as a result of extensive research project should done by students along with teacher with the active involvement of industry. it is a new approach in which the shifting of power from traditional approach to new approach along with sense of responsibility and career development. Students will know their potential and areas on which they have to work upon; an unbiased assessment and feedback to the students by students and teachers will also improve the quality of education. Students as consumers, they should get value for money involve them into the process of education actively as they are already the part of it.

Use of ICT and FOSS in education innovation:

This approach should be implemented with great planning because here we are trying to mix energy with experience. The learning should be flexible and available at 24 x 7 x 365 days, with the help of using ICT and other supportive technologies like FOSS. Using Internet labs, e-libraries, and mobile education with the help of smartphones and 4G/5G technologies will cut down the operational cost of physical system. For e.g. using smartphones apps for compiling and running c/ C++ by using “c4droid”.

Apps for smartphones “c4droid”

Free (as in freedom) software and open source software are often treated as the something [Feller and Fitzgerald 2002, Feller, et al. 2005, Koch 2005]. However, there are differences between them with regards to the licenses assigned to the respective software. Free software generally appears licensed with the GNU General Public License (GPL), while OSS may use either the GPL or some other license that allows for the integration of software that may not be free software.

FOSS is an acronym of free and open source system, which deals with the royalty free software under GNU. This is almost free to user to install without any licensing cost and use in comparison to proprietary software all the things like programming, designing, documentation, spreadsheet etc. can be done in FOSS software which we are earlier doing under proprietary software. A very vast community of technical professionals are working together to make it free and better day by day.

By using FOSS, it will cut down the operational cost in education sector, e.g. imagine how much a computer lab will cost with each workstation of proprietary software according to the standards of regulation bodies. When it is replaced by the FOSS there will be no licensing fee and no need to purchase the closed system software and world wide support from FOSS community.

Students will learn new world technology with minimum investment, the students centric approach will help to do this part of innovation, as students are in touch to the latest technology with great learning acumen in comparison to the older generation they will learn fast. When students are through with FOSS, they can help corporates/ industries/ businesses to lower down the operational/ cost this will generate more chances of employability and students will be employable. Many of them can turn themselves into entrepreneur by establishing their own venture helping / guiding / educating FOSS culture to next generation thus helps in increasing employability of students.

Universities like Princeton use Blackboard for every course taught in the university. WebCT, which is the other leading platform, dominates the United Kingdom, Australia, much of Western Europe, and South Africa, although they are proprietary software, they can be substituted by FOSS software.

Computer-based delivery of education is one of the fastest growing trends in educational uses of technology. Teachers use Web 2.0 applications to create online professional communities through an empowering learning strategy. The study focuses on how teachers, with basic knowledge of Web 2.0 tools will experience community building processes, add professional value to their curriculum and participate in the development of the educational quality strategy of the institution.

Examples of Web 2.0 are social networking sites, blogs, wikis, folksonomies, video sharing sites, hosted services, web applications, and mashups. The term Web 2.0 was officially coined in 2004. It aims at describing specific characteristics and core competencies of interactive content platforms on the World Wide Web (O'Reilly).

Mobile learning - The increasing availability of low-cost mobile and wireless devices and associated infrastructure heralds both opportunities and challenges for educational institutions and their teachers and learners. Rapid developments in information and communications technologies (ICT) and evolving learner behaviors require learning institutions to continuously re-evaluate their approaches to pedagogy, both in the physical and virtual 'classroom' spaces.

Best of the both worlds:

The study approach should be to take the best of both world. The mode should be student centric and the support should from teacher centric environment. Every process has pros and cons with it we have seen many of them in the case of traditional system, it is stable and still working but now it's time to improve and innovate. The student's centric environment should be kept in front as we know that due to globalization and changing demographic of student's population and more consumer centric environment in today's society students should be given the power to excel with responsibility in coordination with teachers. Students are young and full of energy with very strong on technology front and teachers having their life long valuable experience there should be the synergetic combination of both. ICT has already become an important tool in education, but it has the potential to become a key instrument for lifelong learning with innovation in education. Most teachers lack confidence in technology as well as their technology skills.

“New” in higher education:

Form the above facts, we can state few points which can be helpful in innovating the higher education in Indian scenario such as:

- Re-engineering of Indian education system
- Change the traditional system
- Students centric approach
- Judicious mix of both worlds
- Industry interaction on regular basis
- Cross cultural platform
- Faculty exchange program on project basis
- Students exchange program on project basis
- 24 x 7 x 365 days learning by using ICT and FOSS
- Research activities like live projects with corporates / industry
- Change the education sector from not for profit to for profit.
- More effective result will come by learning by doing
- Improvement in the quality of teaching
- Recruitment analysis – minimum eligibility for employment according to sector as live project
- Role of regulating bodies while defining guidelines and syllabus.
- Role of government while defining policies and guidelines.
- Act according to global scenario.
- Give priority to research based education.
- Discourage tuitions
- Use of social engineering tools and smartphones.
- Change the mindset – study to learn and earn from study to get degree.

Future of higher education in India:

The future of higher education seems to be bright it is supported with long running traditional system of education along with the student centric education approach to get the best outcome. With the use of latest technology and various social engineering tools gather the max. Information for the better planning and execution. When students feel their responsibility of their career and supported by teachers a new face of education will show. Although no system is 100% but at least best of both worlds can be combined to get a feasible system to work. Now a days students are more technology savvy and can dig more information about the companies through internet and other sources they are having smartphones, laptops and other gazettes to bridge the gap which was not imaginable in earlier days. For e.g. for android smartphones people are developing various apps like there is a app for programming and running C++ in android

smartphone, with the use of ICT like mobile technology, PDA, website, podcast, email, bulletin etc. there are various technology tools ready for the support of education betterment.

The future is of employability the final result of higher education and satisfaction to the teachers and parents from the success of the students. Success benefits all the students, teachers, parents and institutions last but not least the industry. Successful students helping industries to achieve their goal results into profit maximization industry flourish as well as the persons associated to the industry also.

For better future, there has to be seamlessly integration with students, teachers, industry and institutions they should work together for the betterment of education and industry specific goals. India is a global market and many companies and organizations are setting up various ventures Indian government is also promoting the foreign investment in education sector, all stakeholders like students, parents, institutes and industry there should be the perfect working model that will generate employable talent for the industry best learning environment for students and satisfaction for parents and teachers.

Conclusions and suggestions

To conclude and suggest the situation is not an easy task, all the stakeholders are equally involve in the current situation. There should be deep research to find out the missing links to make a student employable, what are the industry standards for employment, which of the latest technology can be useful etc. this research can go along side by side the studies in form of small modules to find out demand; changing lifelong learning needs; and growing ICT usage and enhanced networking and social engagement like project work and later can be compiled into research report. By doing various project modules students and industry can find the students and sectors in which they can perform well, there area for future growth and development. The funding for the modules can be arranged together by industry, institutes and some part by students to carry out the real environment and active involvement. There could be World Class Research University with cross cultural platform along with the teachers and students working together for the market and shaping the future of education sector.

A prototype of the same model combining the best of the best, can be implemented in school education where students can actively involve in the model so that at later state i.e. in higher education level they should feel comfortable in doing the same. By that time they should have clear indication of their career path/ industry sector.

Government is doing so many things for the betterment of education, but the actual result is not coming as expected, this is also a sign to reengineer the process for the benefit of the students and for the better India.

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LEADERSHIP STYLES AND ITS EFFECTS ON STAFF MOTIVATION

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Abstract

In today's volatile and complex business environment, businesses are growing more and more competitive every day. Their survival depends upon only one aspect "Competitive edge". Further, with the advent and expansion of Information Technology and Globalization, the business world has witnessed radical changes in terms of Management, Leadership and Employee relationship.

People are a vital part of any organization. So the leaders have a dual responsibility here, not just to maintain and maximize their organization's profitability and gaining competitive edge over others but also to motivate their employees so as to achieve their organizational goals. Many research studies have been done to devise ways to enhance employee motivation. Many extrinsic and intrinsic factors contribute to and determine employee motivation. This research study aims to find ways to overcome staff motivation issues with the help of existing literature on leadership and motivation theories, and also help fill the void between theoretical and practical features of leadership and motivation theories.

Keywords

Leadership, Motivation, Leadership Styles, Transformational and Transactional Leadership

1.0 Introduction:

In a perfect world every employee would love his job, work to achieve their organizational objectives, earn appropriate remuneration and have a career path that would be in a perfect harmony with professional and personal needs and all organizations would make progress and maintain profitability. However, in reality it is quite in contrast. When employees are not amply motivated, it has negative implications on their performance, which again goes against organizational interests. Growing competition fast paced technological progress along with employees and customers from diverse backgrounds have further added to the requirements of leadership (Ciporen, 2011). All these factors have led to the change and volatility in business world, resulting in a change the way leaders manage employees. In this scenario, the only way to ensure success is through adapting to these changes (Vercueil, 2001).

Here, a great responsibility comes on the shoulders of the leaders who have two fold objectives, to motivate employees and also drive them towards achieving organizational objectives. Leaders have great responsibilities to bring desirable change while taking care of the needs of his employees and customers (Boyatzis, 2008). In this regard, Senge (1994), states that leaders must help their employees to enhance their skills and capabilities and help them to comprehend the intricacies their work and clarify organizational vision and objectives. Leadership and employee motivation are two deeply related concepts. Leaders are responsible inspiring and energising their subordinates, give them a meaningful challenge and enhance their morale (Bass and Avolio, 1994). Research in workplace motivation attracted the attention of scholars and researchers as far back as 1930 with Hawthorne Studies. It made great progress with the works of Herzberg, Skinner, Vroom, McGrath, Hackman and Walton etc. However, a lot more is still to be accomplished in this direction (Locke and Latham, 2004). Organizations need people with leadership competencies and skills, as they can result in greater profitability and progress for the organization (Northouse, 2010). Different leadership styles and their impact on employee motivation is an intricate process involving many factors. Identifying and understanding these factors is very important for leaders/mangers as it can lead to greater work motivation and improved performance levels for employees.

Past 30 years have witnessed significant changes that have influenced and transformed in banking industry. These changes took place not just in terms of technology but also in terms of employee-management relations and still much more attention are being paid to address to potential leadership issues. Therefore, potential leaders must be competent not just in their managerial skills, but also in dealing with issues of employee motivation (Shim et al. 2002). In other words, expectations in terms of performance and leadership skills required, for retail manager/supervisors, is ever increasing. The relationship between leadership and employees is extremely vital for any organization in order to progress and maintain its profitability. In an organization, if employees are highly driven and committed to their organization, it has a direct bearing on their performance, which finally leads to the overall progress of the organization. Various research studies have emphasized the importance of leadership on employees (Geister et al., 2006; Kayworth and Leidner, 2001). They imply that effective leaders always make sure that their subordinates are satisfied and motivated through effective communication to achieve organization objectives (Mayfield and Mayfield, 2004).

In terms of Motivating Language Theory (MLT) Sullivan (1988), stated that whatever a leader/manager says to his/her employees, it has direct impact on their motivation. Vast amount of literature shows how leaders win the hearts and minds of their followers to gain their commitment and understanding by winning their hearts (Conger, 1991; Fairhurst & Sarr, 1996) and minds (Bass, 1990; Bass & Avolio, 1989). Today's business environment is undergoing radical changes as a result of more educated, informed and intrinsically motivated employees that expect leaders to deliver more than just simply instructing them; the leaders have to motivate and inspire them (Brower et al., 2007). The most successful organizations have capable leadership who can guide and motivate employees by working on their needs and motives. Organizations with highly motivated workforce enjoy many advantages in terms of more profitability and better working conditions. Because of market growing highly competitive now a days, there is a lot of pressure on organizations and employees to perform, in order to maintain competitive edge. Therefore it becomes highly imperative for leaders to keep their work force motivated. For this purpose, this research study aims to help managers/leaders to understand various leadership styles that can enhance employee motivation.

1.1 Leadership styles and its impact on staff motivation

Inherent in the definitions of lead, leader, leadership, and leadership style is the notion of motivation (Brower et al., 2007). People generally think of movement, fulfilling needs, doing, inertia, change, causality, influence, action, and impact when they ponder about motivation. Of times, questions are asked about motivation like;

- How did A Cause B?
- What factor or factors really caused B?
- Why was B motivated?
- Who had the most impact on B?

Motivation can be considered in two major modes, intrinsic and extrinsic. Intrinsic motivation is that which comes from within the individual, team, group, or organization. Its execution brings about production and self-actualization. Extrinsic motivation is that which originates outside of the individual or organization under scrutiny. The fulfillment of external motivation results in what Lawler (1973) calls social rewards. Dyer, (1972) defines three areas affected by motivation, A change in amount, quality, or direction of performance. Dictionary definitions give more insight into the relationship between leadership and motivation. To lead means to show the way, to conduct, to escort, to guide, to direct, to cause to follow. to induce, to steer, to tend toward a certain goal or result, to point the way by going first or by setting an example (all implying some type of motivation). Of course, a leader is one who executes in some manner one or more of these processes. Some behavioral science workers and others have defined leaders in the following manner: By what sign do we ordinarily recognize the man of action, who

leaves his mark on the events into which fate throws him? Isn't it because he embraces a more or less long succession in an instantaneous vision? The greater share of the past that he includes in his present, the heavier the mass he pushes into the future so as to weigh on the events in preparation: his action like an arrow, moves forward with a strength proportional to that with which its representation was bent backward (Bergson, 1970). The superior in a superior/subordinate relationship the one who influences motivation (Lawler, 1973) The leader is the one who creates the most effective change in group performance (Cattell, 1951). The leader is one who succeeds in getting others to follow him (Cowley, 1928). The leader is the man who comes closest to realizing the norms the group values the highest; this conformity gives him his high rank, which attracts people and implies the right to assume control of the group (Homans, 1950).

2.0 Literature Review

As mentioned by Saunders et al. (2007), critical review of the literature facilitates researchers to appreciate the previous researches and helps in relating to the context of the current research. Proper understanding of previous literature greatly helps a researcher to present his arguments in more refined and logical way. This research study highlights how different leadership styles impact staff motivation. Employee performance is extremely vital for the success of any organization. Motivation directly affects employees' performance at work. Therefore, leaders have to make sure that employees are amply motivated in order to deliver better performance. Here, the role of the leaders/managers is extremely vital. As Adair (2006), rightly mentioned that leadership and motivation are so deeply related to each other as brother and sister Many management researchers and scholars have debated the importance of human capital in the progress of any organization. Motivated workforce contributes immensely to the success of any organization. Therefore, leaders/managers must find ways to keep employees motivated adopting appropriate leadership styles. If we look back into the past, when employees were considered just an input in the process of production of services and goods, much has changed in terms of employee relations since then.

2.1 Leadership and Motivation:

The concept of leadership has fascinated researchers and scholars for ages to find answers to questions such as, who can be a leader? What factors help one to become a leader?, What attributes do leaders possess ?, Are leaders born or made ?

Different scholars and researchers have come up with different theories at different times. Some believed leaders are born whereas some maintain that leaders are made. However, answers to such questions are not so easy to find. Hogan et al. (1994), argue that personality traits constitute a very important part of leadership and when used effectively, they can help one become a successful leader. On the contrary, Katz (1955), opined that leadership is based on certain skills sets that can be developed over time. Fiedler (1964), propounded contingency model that emphasized the importance of situation in context of leadership effectiveness. However all scholars agree on one basic aim of the leader, to motivate and drive followers towards accomplishment of common goals. Northouse (2010), states that leadership means influencing the people in such a way to impel and urge them to achieve common goals. Various research studies show that leaders possess a great deal of inner urge to lead. It means power to influence and lead others. People who possess leadership attributes prefer to be leaders and not subordinates. In order to achieve organizational goals it is imperative for leaders to encourage and motivate their followers for greater compliance and commitment by instilling self confidence and enthusiasm in them (Kirkpatrick and Locke, 1991). Furthermore, they add that effective leaders serve as role models for their followers and set examples for their followers to emulate. They also give rewards and punishment to their followers depending upon their actions. Adair (2006), states that people feel motivated when they have an urge to do something. Leaders/managers are concerned with finding ways to motivate their employees and weed out any factors that may potentially de-motivate their employees.

2.2 Leaders or Managers:

A lot of literature has been written about the difference between managers and leaders. Leaders come forward and take situation under their control whereas managers just carry on and learn to live with those circumstances (Bennis,1989). This is not all, there are so many other attributes that distinguish leaders from managers. In this regard, Kotter (1990) states that a leader is the one who creates a vision for success for his followers and comes up with strategies to achieve it whereas the managers just implement the outcome of that. Furthermore, as change is inevitable, leaders deal with the change whereas managers deal with the complexities arising out of it. While doing so, the leaders demonstrate more human side of them when dealing with their employees. They are considerate and sympathetic towards their employees. In this regard DuBrin (1995), states that leaders give more importance to interpersonal dimension of the job, while a managers are mainly concerned with administrative aspects of it. The best distinction between leaders and managers, as Bennis and Nanus (1985) pointed out, is that managers do things right while leaders do the right things. So it is imperative that managers must possess leadership attributes. Robinson (1999), states that people who stay away from leadership responsibilities and roles, end up being just the administrators.

Managers push their employees towards achieving desired goals whereas leaders influence their followers and pull them towards achieving organizational as well as personal goals. As pointed out by Miller (1996), a string moves better when pulled, rather than being pushed. This kind of mutual interaction between leaders and followers sets up a sense of meaningful purpose in the minds of the employees. The origin of this influence is the leader himself/herself. The leader puts more emphasis on participation and involvement with the followers. As pointed out by Blanchard (1999), a leader gives more importance on involving his/her followers rather than imposing anything on them. Here, mutual trust and confidence between a leader and followers is very important as it is extremely vital for a leader to build a relationship with his followers (Kouzes and Posner, 1993). Isaac et al (2001) maintain that every individual wishes to feel wanted, competent, productive and involved and their job gives them means to fulfil these needs. So the leader makes the followers understand how important their work is, and their contribution to the success of the organization. The leader may come up with different treatment to different followers according to their wants and needs. In this way, whatever approach the leader adopts, it should appear fair and honest to the followers to maintain their trust and confidence in the leader (Adams, 1965). The leader must make sure that the followers expect such response from the leader on a regular basis, which would shape their behaviour and attitudes and they would know what kind of efforts bring a particular kind of outcome (Isaac et al, 2001). Furthermore, the leader should be honest in giving feedback to the followers. It should be carefully done in a straightforward yet tactful manner focused on follower's performance. This would help followers to maximize their efforts to enhance their performance and achieve desired outcomes

2.3 Leadership styles

Authoritarian and Democratic Leaders

Authoritarian leadership: it refers to a leadership style in which all decisions are taken by

Leader and leaders by their own way tell their followers what to do?

Democratic leadership: it refers to a leadership style in which first of all leader and followers discuss their problems and make decisions by their joint effort.

The style that is most effective depends on the nature of the situation and the needs and characteristics of the followers. In stressful work situations that require unusually rapid and highly efficient job performance, productivity and satisfaction are more likely to be maintained under authoritarian leadership. These employees recognize that the nature of their work does not allow time for a participatory democracy approach (e.g. firefighters).

Transactional and Transformational Leaders

Transactional leadership: leadership that focuses on the social interactions between leaders and followers; based on followers' perceptions of and expectations about the leader's abilities.

Transformational leadership: leadership in which leaders are not bound by their followers' perceptions but are free to act to change or transform their followers' views whenever situation wants. They challenge and inspire subordinates with a sense of purpose and excitement about what can be accomplished. They create a vision about what the corporate culture should be and communicate it to their employees, stimulating them to develop their abilities while accepting feedback and suggestions.

3 components of transformational leadership have been identified:

1. **Charismatic leadership** – the level of confidence and inspiration engendered by the leader.
2. **Individualized consideration** – the amount of attention and support the leader supplies to the followers.
3. **Intellectual stimulation** – the extent to which leaders persuade followers to think differently about how they perform their jobs.

Charismatic leadership: a leadership style characterized by a self-promoting personality, a high energy level, and a willingness to take risks; charismatic leaders stimulate their followers to think independently. Charismatic leaders have a broad knowledge of their field, a self-promoting personality, a high energy level, and a willingness to take risks and use unconventional strategies. They remain open to communication with subordinates and freely share recognition with them

3.0 Research Methodology

Any research study has three main aspects; it should have a clearly defined objective, data gathered in a very systematic way and its interpretation (Saunders et al. 2007). According to Saunders et al. (2009), our research philosophy is based on how we see and perceive world. Also our research strategy and procedures adopted greatly rely on it.

3.1 Research Aims and Objectives:

This research aims to develop deeper insight into the subject matter by focusing attention on different leadership styles and their effect on staff motivation, thereby contributing to existing literature by filling the disparity that prevails in theory and practice, and make recommendations by exploring possible ways to boost staff motivation. This research has following specific objectives.

1. To investigate different leadership styles and their effect on staff motivation.
2. To find which leadership style(s) is/are best suited specific to HDFC Bank.
3. To extend recommendations to the management in order to help them adopt policies that would lead to enhanced staff motivation.

3.2 Research Choices:

Present research study seeks to probe the effect of different leadership styles and how they effect motivation in staff members, which is very subjective in nature. In this study, mixed method approach would be adopted to collect data, namely both quantitative as well as qualitative methods would be employed. Quantitative method enable a researcher to obtain a broad understanding of individuals' social behaviour, and also due to its highly flexible nature, it helps in achieving comprehensive and deeper insight into the various aspects of leadership and their bearing on motivational level of staff members. With the help of qualitative method non-numerical and descriptive data is obtained (Whitley, 2002). Mainly interview technique is used to obtain qualitative data. When qualitative method is employed, statistical tools are not used to interpret and describe the obtained data. Basically three methods are employed to obtain qualitative data, such as interviews, written documents and direct observation (Patton, 1990). According to Saunders et al. (2007), qualitative methods help in understanding basic elements related to the research and help in reaching meaningful analysis of the collected data. Qualitative method is employed in this research study because it allowed the researcher to interact with staff members and

managers and gain a deeper understanding about their views, feelings, perceptions and experience. Required data is gathered through conducting interviews/follow up interviews with managers. Using this method facilitated to examine various leadership styles that impact staff motivation.

3.3 Data Collection Methods:

Primary and Secondary Data

In the current study primary data is collected through questionnaires (Quantitative) semi structured interviews (Qualitative). In order to achieve the objective of finding out the suitable leadership styles and their effect on staff motivation, a questionnaire is designed and filled from the employees in order to know about their response related to the suitable leadership style they used in order to motivate employees.

- **Secondary data**

As Saunders et al. (2007), opined that secondary data enables the researcher to reanalyze obtained data in the light of other research studies that have already been conducted on the subject. It helps the researcher to delve deep and gain deeper understanding on the research topic, helps the researcher to compare research findings, develop point of view and extend recommendations to the management.

3.4 Sampling Design

Target population for this study is HDFC bank staff members and managers. Technique to be used for sampling is Stratified Random Sampling as there are two sets of respondents e.g. Staff members and Managers Staff members are to fill the questionnaire and managers are to be interviewed. Stratified Random Sampling is suitable for this research as there is a strata of two sets of respondents (Saunders et al. 2007).

Sample Size: due to the time and resources constraints only 50 staff members are taken for questionnaire and 5 managers for the interview.

4.0 Analysis and interpretation

1. When you are faced with any problem at workplace how often would your managers/supervisors develop a plan how it is to be solved? (Directive/Task oriented)

Table 4.1

When you are faced with any problem at workplace how often would your managers/supervisors develop a plan how it is to be solved?	N (50)	%
Always:	26	52
Sometimes:	17	34
Rarely	5	10
Never	2	4

2. How often would do your managers/ supervisors tell you what you are supposed to do (Directive/Task oriented)

How often would do your managers/ supervisors tell you what you are supposed to do (Directive/Task oriented)	N (50)	%
Always:	23	46
Sometimes:	11	22
Rarely	9	18

Never	7	14
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How often would do your managers/ supervisors tell you what you are supposed to do (Directive/Task oriented)(For new employees)	N (50)	%
Always:	31	62
Sometimes:	13	26
Rarely	8	16
Never	2	4

3. Do your managers/supervisors encourage group members to get along with each other? (Supportive/Relationship oriented)

Table 4.3

Do your managers/supervisors encourage group members to get along with each other? (Supportive/Relationship oriented)	N (50)	%
Always:	9	18
Sometimes:	11	22
Rarely	17	34
Never	13	26

4. How often do your managers/supervisors show concern for the well being of others? (Supportive/Relationship oriented)

Table 4.4

How often do your managers/supervisors show concern for the well being of others? (Supportive/Relationship oriented)	N (50)	%
Always:	4	8
Sometimes:	12	24
Rarely	19	38
Never	15	30

5. When there is a problem as a result of confusion, how often would your manager/supervisor would consult with the members of staff? (Participative)

Table 4.5

When there is a problem as a result of confusion, how often would your manager/supervisor would consult with the members of staff? (Participative)	N (50)	%
Always:	3	6
Sometimes:	5	10
Rarely	14	28
Never	28	56

6. When there is a task that needs to be done and you feel you have better ideas than your

manager, how often do you think your manager/supervisor would welcome

Table 4.6

When there is a task that needs to be done and you feel you have better ideas than your manager, how often do you think your manager/supervisor would welcome your suggestion? (Participative)	N (50)	%
Always:	8	16
Sometimes:	16	32
Rarely	18	36
Never	8	16

7. Do your managers/ supervisors set goals and standards at workplace for members of staff which are quite challenging? (Achievement Oriented)

Table 4.7

Do your managers/ supervisors set goals and standards at workplace for members of staff which are quite challenging? (Achievement Oriented)	N (50)	%
Always:	24	48
Sometimes:	18	36
Rarely	6	12
Never	2	4

8. Do your managers/supervisors encourage you to maintain high standards at workplace? (Achievement Oriented)

Table 4.8

Do your managers/supervisors encourage you to maintain high standards at workplace? (Achievement Oriented)	N (50)	%
Always:	18	36
Sometimes:	21	42
Rarely	6	12
Never	5	10

9. How often would your manager/supervisor go beyond self-interest for the good of other staff members? (Idealized Influence: attribute)(Transformational)

Table 4.9

How often would your manager/supervisor go beyond self-interest for the good of other staff members? (Idealized Influence: attribute)(Transformational)	N (50)	%
Always:	3	6
Sometimes:	11	22
Rarely	20	40
Never	16	32

10. While taking a decision on an issue at workplace, how often, do you think, your manager/supervisors would consider moral and ethical consequences of the decision? (Idealized Influence: behaviour)(Transformational)

Table 4.10

While taking a decision on an issue at workplace, how often, do you think, your manager/supervisors would consider moral and ethical consequences of the decision? (Idealized Influence: behaviour)(Transformational)	N (50)	%
Always:	16	32
Sometimes:	25	50
Rarely	6	12
Never	3	6

- 1. As a manager, how do you make sure all your staff members are highly motivated? Ex: While having a cup of coffee in a canteen, you overhear two staff members talking about leaving the job because of lack of motivation. As a manager what steps would you take to ensure that your staff members are amply motivated?**

For the purpose of motivating the employees so that they do not leave the organization tell them HDFC Bank is the best organization to work for-try to find their concerns and make sure their concerns are taken care of. As we all know that Motivation is an important factor which encourages persons gives their best performance and help in reaching enterprise goals. A strong positive motivation well enables the increased output of employees but a negative motivation will reduce their performance. The purpose of motivation is to create conditions, in which people are willing to work with zeal, initiative, interest and enthusiasm with a high personal and group moral satisfaction, with a sense of responsibility, loyalty and with pride and confidence in a most cohesive manner so that the goals of an organizational are achieved effectively. So first of all ask from employees the reason behind leaving the organization and then motivate them in a positive manner. There are various reasons behind a person leaving the organization, when manager talk with the employees they came to know that they leave the organization because of lack of incentive so in order to motive them to remain in HDFC Bank, positive motivation is required, Positive Motivation is based or reward. The workers are offered incentives for achieving the desired goals. The incentives may be in the shape of more pay, promotion, recognition of work etc.

- 2. How do you describe your leadership style? Ex: there is a new member of staff who is not able to perform upto the expected performance standards. How would you ensure that the staff member does his/her job effectively?**

In order to make new member works according to the expected performance standards first of all tell him what you expect from him as well as do's and don'ts of the job so that new employees work according to your expectations as well as tell him about the job requirements. As well as at HDFC Bank democratic leadership style is adopted which means a style in which first of all leader and followers discuss their problems and make decisions by their joint effort. So in case if the new employees are worked according to the expected performance standards manager first of all ask from the employee about his problem and then if he feels like new employees is not able to perform his duties because he himself not clear about the job requirement then tell him about the job requirement so that in future he works according to expected performance standards, it will help him to stay in the organization for long time as well as organization is able to achieve its goals also.

- 3. Recently you have noticed that some of your staff members are not getting along because of some reasons. This is hampering their motivation and performance. How would you tackle this situation?**

As a manager if due to this the work does not affected then there is no problem at all, but if sue to their differences both motivation as well as their performance hampered, then motivate them to work

in a team, tell them that job is their first priority. As a manager it is your responsibility to find out the reason behind their differences and try to remove their differences by small get together in the organization. So as a manger first of all if their differences do not hamper the organizations work then there is no need to take any action but if their differences hamper their performance due to this work of the organization also get affected then try to find out the reason behind it and solve that problem as well as motivate them to work in a team.

4. Lately, you have observed one of your staff members seems to be quiet and aloof and doesn't seem too interested in his/her job. What would you do about this situation?

As a manager if you find one of your staff member remain quiet and aloof for some time and doesn't seem too interested in his' her job then first of all manager try to find out whether he/she is alright or not, if he/she is not alright asked from them their problem, and then make sure that they whether it is due to any issue related to job or any other personal issue, if it is due to any issue related to job then try to solve that issue, if it is due to his/her personal matter then insist them to work in a good manner and make sure that it does not hamper his/her performance. So as manger there are three most important things a manager has to perform if he observed any of its employees remain quiet and aloof first of all try to find if he/she is alright then make sure there are no job related issues and lastly this must not hamper his/ performance.

5. When you are doing moves on the shop-floor, one of your staff members tells you that he/she has a better idea how to merchandise. How would you respond to his/her suggestion?

As a manger first of all listen to the idea of your staff member if he/she gives a good suggestion that actually helps in merchandising then you should implement that idea by checking its feasibility, if not then tell him/her what best can be done so as to enhance his/her understanding of the job.

6. This being a busy weekend, you observed that recovery standards are not as high as the previous week and the trend goes on as Christmas approaches. What would you do about this situation?

As a manager in first of all Motivate your staff to brace up for more challenging task ahead as well as Motivated them to do overtime to tackle the situation this can be done by giving them incentives it may be monetary or non monetary depends upon the nature of people worked with your organization, as well as emphasize them to work with team spirit and help each other in order to get best results.

7. You are on your lunch break. One of your staff members approaches you and tells you he/she has some problem and needs your advice. What would you do in this situation?

As a manger you should listen to his/her problem and the take corrective action.

8. You found out that two staff members are enjoying cup of coffee in the canteen without having clocking-out for their tea-break. What would you do in this situation?

First of all Call them in the office and ask them the reason as well as give instructions to them these things should not repeat in future, if in future this thing will repeat then you must take some action so that no other employees repeat this in future. As well as keep an eye on such activities for future in order to maintain discipline in the organization.

9. How do you give feedback to your staff members for their performance? Ex: is it in front of other staff members or is it one-to-one?

It depends upon the type of feedback whether positive or negative feedback, in case of positive feedback then appreciate the employee in front of everyone, as he/ she motivated this will result in better performance in future also and if there is any negative feedback, will call them in the office for one to one, and find the reason, and suggest ways to improve upon them.

10. One of your staff members is very enthusiastic and highly motivated. However, sometimes you find him/her struggling to finish recovery at the time of closing. How would you do in this situation?

First of all Appreciate him/her for his/her enthusiasm and motivation then Find the reason what is causing him/her to struggle to finish his/her job and Suggest his/her ways to do job better and in case of necessity Send other staff members to help him/her.

11. Do you think proper appreciation and recognition for good work of staff members can enhance their motivation? If yes, then what methods do you adopt for this purpose?

As we all know that appreciation and recognition is very important indeed as well as Appreciate for good work. There are certain ways to make your employees appreciated are as follows:-

- Praise something your coworker has done well. Identify the specific actions that you found admirable.
- Say "thank you." Show your appreciation for their hard work and contributions. And, don't forget to say "please" often as well. Social niceties do belong at work. A more gracious, polite workplace is appreciated by all.
- Ask your coworkers about their family, their hobby, their weekend or a special event they attended. Your genuine interest - as opposed to being nosy – causes people to feel valued and cared about.
- Offer staff members flexible scheduling for the holidays, if feasible. If work coverage is critical, post a calendar so people can balance their time off with that of their coworkers.
- Know your coworker's interests well enough to present a small gift occasionally. An appreciated gift, and the gesture of providing it, will light up your coworker's day.
- If you can afford to, give staff money. End of the year bonuses, attendance bonuses, quarterly bonuses and gift certificates say "thank you" quite nicely.
- Almost everyone appreciates food. Take coworkers or staff to lunch for a birthday, a special occasion or for no reason at all. Let your guest pick the restaurant.
- Create a fun tradition for a seasonal holiday. Bring in bagels, doughnuts or another treat for staff and coworkers. Offerings such as cookies or cupcakes, that you've baked personally, are a huge hit. (Have you tried baking cupcakes in ice cream cones? People love them.) Another hit? Bring chocolate - chocolate anything.
- Last, but not least, provide opportunity. People want chances for training and cross-training. They want to participate on a special committee where their talents are noticed. They like to attend professional association meetings and represent your organization at civic and philanthropic events.
- Employee appreciation is never out-of-place. In fact, in many organizations, it's often a scarce commodity. Make your workplace the exception. Use every opportunity to demonstrate your gratitude to employees.

12. What are your core values and strengths that inspire and motivate your staff members?

Core values and strengths that inspire and motivate staff members are as follows-

- Guidance
- Knowledge
- Treat them fairly and equally
- Show due respect as individuals
- Tell them the importance of their job

13. How do you define your relationship with your staff member?

As a manager relations with staff members should be-

- Friendly
- Respectful
- Cooperative
- Helpful to do job in a better way

Conclusion:

Various researchers have propounded a number of leadership theories, some based on their traits and some on their behaviors. Scholars have classified a number of different leadership styles based on their different attributes and in relation to different situational factors. Leadership effectiveness in relation to employee's motivation is a very complex interplay involving many different variables, and those variables keep changing with different circumstances. A brief overview of the leadership theories and models, which were useful in identifying leadership traits, suggests the elements that make an effective leader. This study draws upon the leadership theories and models to evaluate whether leadership traits and styles are being identified. The theories that are used in this study include: (a) the trait theory, (b) the situational theory, and (c) the Vroom-Yetton Normative Leadership Decision Theory. The trait theory is important in identifying individuals who have personal traits that could lead to effective leadership. The situational theory was used to evaluate whether the psychological maturity and job maturity levels are measured in selecting leaders. Maturity is an important characteristic of an effective leader, especially in the dangerous occupation of fire fighting. Finally, the Vroom-Yetton Normative Leadership Decision Theory will be used to evaluate decision-making competencies. Various management scholars and psychologists have prescribed different methods and means to measure leadership effectiveness on different backgrounds in with diverse sets of people. However, there is still no one formula to predict which leadership style is best suited to enhance employee motivation at workplace. Increased competition, economic changes, contemporary market needs are a few reasons that both transactional and transformational leadership styles are needed (Tosi, 1982; Niehoff et al, 1990; Keller, 1992; Howell & Avolio, 1993). Organizations of all types must have a balance of leadership style in today's business world. Qualities for today's organizational leader must include a balance of transformational authoritarian and transformational participative systems; and task (transactional) and (transformational) relationship orientations mixes (Schein, 1992).

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STUDY OF EFFECTIVENESS OF ADVERTISING STRATEGIES OF HSBC BANK

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ABSTRACT

This research paper on HSBC bank is done in order to find out the objectives of advertising strategy of HSBC in order to compete in the global market. Then advertisement of HSBC is analyzed by making a report in this topic. For this study a survey is conducted to ask from people regarding the advertisement effectiveness of HSBC bank. Then outcomes of this survey are properly analyzed in order to find out the various aspects of HSBC in terms of companies position in the market. The report on HSBC not only provides information about HSBC but it also gives information about advertising strategy of HSBC as well as future plans of HSBC regarding their advertising campaign. In trying to sell its service (banking service), HSBC evokes the emotions of consumers as it re-establish ties with him/her by showcasing a particular culture of a nation. The HSBC ad depicts the culture of UK and US by illustrating an image of cross-legged shoes, where the act may be construed as “relaxed” in American culture, while it is considered “rude” among Thai people. So HSBC made its advertising strategy according to the emotions of people of different country. It also makes plans regarding its future advertising which is very innovative as well as increases its competencies.

Keywords: Advertising Strategy, Effectiveness, HSBC, Campaign

1.1 Introduction

In the present study the researcher aims to study the effectiveness of the advertising strategy of HSBC Bank in building a competitive advantage. The study also focuses on understanding how market response or market share is related to the amount spent on advertising. HSBC spends huge amount on advertising because it believes that the bigger the advertising budget, the greater is the market manipulative power available with the marketer (Zhang, 2011). Advertising management also deals with the scientific study of layout, visualization, print reproduction, special effects, selection of endorser etc. Advertising itself performs various functions such as economic, social and psychological functions. The Advertisements of HSBC attempts to perform the economic function of persuasion by showing to the target audience how their financial services are better than the competitors. Advertising establishes a direct rapport with the buyer, with no middlemen in between but a channel or a media vehicle. Advertisement is a mirror of the society in which it operates. It reflects the cultural values of the society. Advertising is closely linked to consumer behavior. So it affects personality of the consumer, his concept of self, his attitudes, beliefs and opinions, his life cycle and life style etc. Advertising can use different types of appeals - physiological and psychological motives. Its appeals may be rational or emotional. The bank attempts to reflect the following motives through its advertisements: achievement motive which means the drive to experience emotion in connection with evaluated performance; Power motive- the drive to have control or influence over another person, group, or the world at large; Uniqueness/novelty motive-the drive to perceive oneself as different from others; Affiliation motive-the drive to be with people; consumers sometimes experience a strong motivation to reconnect and associate with group; and Self-esteem motive- credit for successes, explain away failures, (consumers) see themselves as better than most others. The present study shall investigate whether the audience feels that the motives sought to be communicated through HSBC advertisements are being understood by them or not.

HSBC buys several media vehicles to communicate its advertising message to the target audience such as Television, Newspaper, direct mail, Radio, magazines as well as internet (Aurand, 6004). Nowadays internet is also considered to be an effective means to advertise the products and services, and is being used very efficiently by HSBC.

After a brief study about the advertisements of HSBC, it was learnt that Magazine advertisement of HSBC illustrates the achievement motive, primarily because HSBC Feelings of approval and/or reproach over the said cultural norms shows how achievement—that is, to achieve and conform to the cultural norm—becomes a primary factor that convinces the consumer to subsist to the product or service. Newspaper advertisement of HSBC creates the impression that every culture has power, thereby influencing the consumer that as member of that culture, s/he has power to approve or disapprove of the ad and patronize or not patronize the product or service advertised. The most important and dominant motives included in the ad are the uniqueness, affiliation, and self-esteem motives. In the HSBC ad campaign, the showcasing of a particular culture per ad illustrates the strong regard the company has for cultures of the world—that is, the uniqueness of a society or nation and the individual. The above mentioned motives work in integration, starting with the premise that every culture is unique, and proof of this in that the ad informs the readers the uniqueness of a particular material, symbol, or activity in the business culture of a particular country (Brown et. al., 6003). In the same way, affiliation results from the character of uniqueness, wherein the consumer, once s/he has identified herself/himself with the culture depicted in the ad, feels a sense of belongingness with the subject or image displayed in the ad. Thus, the consumer who understands and agrees with the culture depicted becomes affiliated with it, and HSBC, taking advantage of this event (creation of uniqueness and sense of affiliation), attempts to persuade the reader to become associated with HSBC, the company that ‘understands’ people of all cultures. HSBC thinks that combining both uniqueness and affiliation results to the development of self-esteem, where the consumer, once s/he recognizes the value that HSBC gives to people of his/her culture, would then affiliate himself/herself with the banking institution. In effect, the ad portrays the HSBC brand as embedded in each culture and actually belongs to the people.

The study shall attempt to investigate whether the target audiences are persuaded to think like HSBC advertisements want them to think and whether they get connected to HSBC Bank as a result of its communication process through advertisements.

2.0 Literature Review

Determining the marketing Objectives is the first step in process of developing a market strategy related to advertising. So, the objectives of HSBC are to identify the wealth of HSBC’s current account market share. New prepaid card of HSBC increases the effectiveness of current accounts which encourage customers for savings, for making excess of funds in the bank for further lending. Executions of product development strategy and market penetration strategy to capture the current account market share from other financial institutions that declines in economic crisis. Above and beyond that, for product development they launched new prepaid card as a march towards the contradiction of non-traditional financial institutions which encourage the self-confidence to enter the current account market (*Miles, 6003*). At later date, market development strategy can approved to bring the innovative and tested prepaid card product interested in other geotableical markets in fond of China and India. This is in accordance with HSBC’s slogan of ‘World’s Local Bank’ and also takes enhancement in HSBC’s global arrangement in further 79 countries. The media become the main competitive advantage of any international bank. The media coverage of the efficiency has become the key to success in this war. Thus, companies advertising effectiveness measurement advertising Strategy has become an indispensable important part. This ad will disseminate key aspects of the performance measurement analysis (*Lee, 6003*).

Advertising campaign due to the different media and its diverse forms, Different media have different

characteristics, and thus ad performance with compound, the effect of a certain period of advertising widely advertised a variety of media, the result of some of the media advertising effect strong, some media advertising effect is relatively weak (*Casielles, 6005*). Advertising is the most visible element of modern marketing, however it is often accused by its critics of being intrusive and pervasive, and neither of these accusations can be refuted by a worldwide industry which spends billions of dollars each year reaching and persuading its target markets through daily bombardment of hundreds, if not thousands, of advertisements in most developed countries. In this, a conceptual framework of “acceptable advertising” is presented, discussed, and used to analyze the regulation of advertising in five countries around the world. The exercise succeeds in enhancing our understanding about how to improve the acceptability of advertising in contemporary societies (*Bennett, 6006*). Advertisements sometimes do the sales job in a subtle and indirect manner. They incline us favorably to the products; they affect our attitudes (*Lamminman, 6004*).

As we know that the use of advertising in marketing and its effectiveness. It suggests the establishment of objectives by setting a market share goal, determining the percentage of the market to be reached and agreeing the necessary budget. It presents a list of advantages, main considerations and general areas of objectives and evaluations for this practice. It concludes that the advertising objective can be evaluated for its degree of achievement. Advertising has affected not the core cultural values but the subsidiary cultural values. For example, to get married is core cultural value. Advertising cannot effectively change it by telling people that you do not marry. Yes, to marry late and not an early age is a subsidiary cultural value. Advertisement can definitely affect it. Advertisement is a mirror of the society in which it operates. It reflects the cultural values of the society. Some argue that advertising debases our cultural standards. There are many factors which affect culture and get affected by them – schools, colleges, families, museums, churches etc. Successful advertising is consistent with the cultural values of a given society. Yes, it can transfer some cultural values of one society to another society at a given point of time. Its cross-cultural impact will depend upon the universalization of appeal. Advertising is closely linked to consumer behavior. So it affects personality of the consumer, his concept of self, his attitudes, beliefs and opinions, his life cycle and life style etc. Advertising appeals to our physiological and psychological motives. Its appeals may be rational or emotional (*Kottasz, 6006*).

The promotion element of marketing mix relies on effective communications to the prospects to bring awareness about new prepaid card being offered by HSBC in the market. The most important thing in promotion mix is to design the various communication strategies relating to Advertising, Direct-Marketing, Sales-Promotion, and Publicity (*Palmer, 6008*). The HSBC’s choice of media utilized is including various Medias like newspapers, outdoor advertising, magazines and the internet. Sales promotion is also carried to stimulate the short run consumer purchases and to improve the effectiveness of various intermediary channels (*Palmer, 6008*).

Various press releases, brochures and posters are other major promotional tools. For managing the marketing efforts, it mainly includes the implementation of the planned strategy. HSBC apply research process for this by applying it before and after implementation o as to review the situation. Market research is carried out at different time’s viz. before, in between and after launching the HSBC’s current account package. Financial services firms have three methods to carry out its research. They are, using in-house resources, using the services of a specialist agency or a combination of the two methods. Both pre implementation and post implementation research is carried out by a specialist agency made to order by HSBC. Attention is paid on whether the market’s current external environment matches the company’s preliminary outcomes throughout the first external environment analysis. Political, legal and economic elements of external environment are likely to be very unpredictable that may be a reason for HSBC to either setback or get ahead. Furthermore, research is also made on company’s business reputation and the accessibility of market (*Aaker, 6008*).

A tracking study is taken by the research company during the implementation period. The tracking study is done through monitoring consumer's awareness and acceptance. It is an ongoing process during a product's life cycle that is conducted with a small group of the target market segment. Post-implementation research is aimed at obtaining concrete results on whether HSBC has really managed to discover the wanted stage of market share and profitability. Changing the attitudes and perceiving power of costumers was also a main goal of HSBC. The perception about HSBC being only a financial institution for earning profits or also valuing its customers is known through the marketing research (*Daft, 6008*). In addition to obtain concrete results on meeting of marketing objectives, it is also significant to know response of customers regarding their satisfaction level and any complaints regarding the product/service presented by HSBC. Here, HSBC wanted to confirm that no mistakes would be made in future and further improvements will be done. The main "actors" related to the effectiveness in the advertising activities are consumer, advertisement, product/service, medium, and environment. The advertising effectiveness can be studied from the different manifestations of these actors. *Consumers* are audience of the advertisement and potential purchasers of the product or service. Many models of consumer behavior have been developed to measure the advertising effectiveness. For example, in the attitude model, the effects of advertising on consumers can be described as a sequence of stages or steps that begins with an awareness of the existence of what is being advertised, through the knowledge on what the product or service has to offer, favorable attitudes, preference over all other possibilities, and the conviction that the purchase would be wise, and finally culminates in the actual purchase of the product or service(*Bendixen, 1993*). 6005,

HSBC was the first major bank in the UK to start sharing positive as well as negative customer details on all personal credit products through the country's three main credit reference agencies, making it easier for lenders to assess an individual's ability to repay debt. In the US, HSBC's consumer lending businesses, HFC and Beneficial, employ industry-leading lending practices and consumer protections which benefit all their customers. For instance, they have invested heavily in establishing systemic controls to ensure compliance with mortgage lending practices, including a one-page outline, key terms, fees and payments, lower rates for prompt payers and a 10- day cancellation guarantee. These practices have been endorsed by third-party audits, which we with US state regulators and attorneys general as part of their commitment to transparency. Customers are increasingly looking for flexible banking services to suit their lifestyles. In 6005, their customers conducted 183 million transactions online, an increase of 17 per cent over 6004. Online sales rose by 65 per cent and total online revenues by 71 per cent. To protect their customers, HSBC is involved with internet-specific initiatives, such as the UK's 'Get Safe Online' campaign, a partnership between government departments and the private sector designed to raise public awareness of the risks of doing business online and how they can be mitigated. They will continue to respond to changes in customer behavior and tastes, while at the same time helping their customers to protect themselves.

3.0 Research methodology

Research methodology includes various steps in order to get results, first step is defining the problem, second step is setting up of hypothesis, then collecting, organizing and evaluating the collected data and making deductions finally conclusion and then testing the conclusions to find out whether they fit with the hypotheses or not.

3.1 Research Problem:-

The first step while conducting research is careful definition of Research Problem as a very good saying is there, "A well defined problem is half solved" The present paper has been undertaken to do is "Advertising strategy of HSBC"

3.2 Research Design

The research design of this paper is descriptive in nature

3.3 Objectives of the study

Main objective is to know about the advertising strategy of HSBC bank in order to attract large customer base. The present study is being undertaken with the purpose of establishing the effectiveness of the advertisements released by HSBC bank in a customized manner, by the target audience through a structured questionnaire administered on a sample population group. The aim of the study is to investigate the effectiveness and response of target audience towards the advertisements released by HSBC Bank.

3.4 Types of Data Collection

- Primary Data
- Secondary Data

Primary and Secondary Data

- In the current study we collect primary data through questionnaires which **means a** self-report data collection instrument that is filled out by research participants.

Secondary data

Various sources from where secondary data is collected for the research are as follows:-

- Published Sources such as Journals, Government Reports, Newspapers and Magazines etc.
- Unpublished Sources such as Company Internal reports prepare by them given to their analyst & trainees for investigation.
- Websites like official site, some other sites are also searched to find data.

3.5 Sample Design

- a) **Sampling design:** – Non- probability sampling has been adopted for this research study and the sample has been selected on basis of convenience of researcher. Thus the sampling design is **non probability convenience sampling.**

Non probability convenience sampling is the sampling method where each item of universe doesn't have equal chance of being included & sample is selected by researcher on basis of his convenience.

Sample Size -A Total of 600 Sampling Units Will Be Selected.

Convenience sampling

In the present study convenience sampling is used, it means to describe a sample in which elements have been selected from the target population on the basis of their accessibility or convenience to the researcher. Convenience samples are sometimes referred to as 'accidental samples' for the reason that elements may be drawn into the sample simply because they just happen to be situated, spatially or administratively, near to where the researcher is conducting the data collection. The main assumption associated with convenience sampling is that the members of the target population are homogeneous. That is, that there would be no difference in the research results obtained from a random sample, a nearby sample, a co-operative sample, or a sample gathered in some inaccessible part of the population

3.6 Scope of the study

- ❖ Research can evaluate the performance of different service offered by bank
- ❖ It helps to develops a new strategies in accordance with the survey
- ❖ Improves the service according to the perception and the need of the customers

- ❖ To overcome with the drawbacks of the offered service to the customers like region of switchover to others

3.7 Justification of the study

This study is mainly focus on to find out the advertisement effectiveness of HSBC bank. The Methodology used in the making of this Report is the collection of the Primary data. The Primary data is collected through Questionnaire.

3.8 Tabular analysis

The tools used for the analysis are as follows:-

- ❖ **Tables:** Tables are used to represent the response of the respondents in a precise term so that it become easy to evaluate the data collected.
- ❖ **Chi-square test:** - Here we have the assumption of H_0 and H_1 . If the values come in accordance to the depicted values then the hypothesis is accepted else it's rejected.

$$\chi^2 = \frac{\sum(O-E)^2}{E}$$

where,
O = observed frequency, E = Expected frequency

4.0 Analysis and interpretation

4.1 Gender –Wise Breakup of the Respondents

Table 4.1

Gender	N(600)	%
Male	354	59
Female	246	41

Interpretation

Above table shows that out of 600 respondents, 41% are female and 59% are male. So it is concluded that male respondents are more as compare to female respondents.

4.2 Demographic profile of the respondents

Table 4.2

Age	N(60)	%
15-25	192	32
26-35	180	30
36-45	168	28
Above 45	60	10

Interpretation

Above table shows that out of 600 respondents, 32%, of respondents are between the age of 15-25, 30% of respondents are between the age of 26-35, 28% of respondents are between the age of 36-45, 10% of respondents are above the age Of 50. So it is concluded that majority of respondents are between the age of 15-25.

4.3 In the past week and excluding the viewing you just saw, how many times have you seen an advertisement for this product?

Table 4.3

No of times you have seen advertisement of HSBC	N(600)	%
1	102	17
2	138	23
3	108	18
4	126	21
5 or more	120	20

Interpretation

From the above table it is concluded that 17% of the respondents saw advertisement of HSBC only once, 23% of the respondents saw advertisement of HSBC two times, 18% of the respondents saw advertisement of HSBC three times, 21% of respondents saw advertisement of HSBC four times and 20% of the respondents saw advertisement of HSBC 5 times or more so majority of the respondents saw advertisement of HSBC twice. With the help of this they came to know about whether the advertising strategy of HSBC is attractive or not and also whether through advertisement HSBC no of customers increases or not.

4.4 What would you say is the main message of this ad?

Table 4.4

Main message of your ad	N(600)	%
Just trying to sell the product	93	15.5
Entice people to try the product	123	20.5
Big discounts, cheaper than the competition	84	14
Product is of high quality	135	22.5
Brand awareness, company is trying to expose itself.	165	27.5

Interpretation

From the above table it is concluded that 15.5% of the respondents considered main message of the advertisement is selling the product i.e. a company advertised its products and services just for the purpose of selling it is done when the customers you want to target understand the concept of your advertisement, 20.5% of the respondents said the main message of an advertisement to entice people to buy the product, 14% of the respondents said through advertisement they came to know about the schemes of the company as well as discounts scheme which they adopt but their competitors are not , it will give company a competitive advantage over other. 22.5% of respondents said main message of any advertisement to tell customer about the quality of product or a service and 27.5% of the respondents said through advertisement an organization make people aware about their brand as well as through this a company trying to expose itself. So majority of the respondents considered that the main message of any advertisement is to make customer aware about the product as well as through this company tried to expose itself in public.

4.5 If you were to describe this ad to a friend, would you say the ad is: (Select all that apply?)

Table 4.5

Description of ad	N(600)	%
Funny	30	5
Emotional	165	27.5
Creative	60	10
Informative	102	17
Irritating	6	1
Sincere	36	6
Unique	42	7
Pleasant	42	7
Memorable	66	11
Enticing	30	5
Immature	9	1.5
Boring	12	2

Interpretation

it is inferred from the above table that if respondents describes the advertisement of HSBC to a friend them there is different opinion of them regarding ad, 5% of the respondents considered the appeal of ad is funny, i.e. by adding some humor factor they tried to influence their customers, 27.5% of the respondents considered advertisement of HSBC as emotional one as we all know that HSBC evokes the emotions of consumers as it re-establish ties with him/her by showcasing a particular culture of a nation. For example, the HSBC ad depicts the culture of UK and US by illustrating an image of cross-legged shoes, where the act may be construed as “relaxed” in American culture, while it is considered “rude” among Thai people. So HSBC made its advertising strategy according to the emotions of people of different country. So the appeal in HSBC advertisements is to make people emotional with the help of this it is possible to make personal relations with the customers. 10% of the respondents considered HSBC ad creative I have studied certain future plans of HSBC regarding their advertisement it depicts how creative is their advertisements, like In the future, there will be no difference between waste and energy, In the future, investors will need to be explorers, In the future, there will be no markets left waiting to emerge. So these are the messages of future advertisements of HSBC it shows how creative is their advertisements. 17% of the respondents considered advertisement of HSBC informative that is it give information about the services of HSBC to their customers, 1% of respondents considered it irritating, 6% considered it sincere, 7% of the respondents considered it unique and other 7% of the respondents considered it pleasant, 11% of the respondents considered it memorable as HSBC make advertisement on the basis of culture. 5% of the respondents considered it enticing, 1.5% of the respondents considered it immature advertisement and 2% of the respondents considered it boring. So majority of the respondents i.e. 27.5% of the respondents considered the advertisement of HSBC emotional we also know the reason behind it as HSBC through its advertisement campaign evokes the emotions of consumers as it re-establish ties with him/her by showcasing a particular culture of a nation.

4.6 Was the ad appealing to your eye?

Table 4.6

Appealing of ad	N(600)	%
Yes	438	73

No	162	27
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Interpretation

It is inferred from the above table that 73% of the respondents considered the ad of HSBC appealing to eyes and 27% of the respondents considered it does not make any appeal to the eyes of customers. So majority of the respondents considered ad of HSBC appealing to their eyes that is they are influenced by their advertisement.

4.7 Was the ad fun to watch?

Table 4.7

Was the ad fun to watch?	N(600)	%
Yes	270	45
No	330	55

Interpretation

It is inferred from the above table that 45% of the respondents considered the ad of HSBC as fun to watch and 55% of the respondents does not considered it funny. So majority of the respondents considered ad of HSBC not a matter of fun.

4.8 Would you talk to someone else about this ad?

Table 4.8

Would you talk to someone else about this ad?	N(600)	%
Yes	294	49
No	306	51

Interpretation

It is inferred from the above table that 49% of the respondents said they talk to someone about this ad and 51% of the respondents does not talk to anyone about the advertisement of HSBC. So majority of the respondents does not talk to anyone about the advertisement of HSBC.

4.9 Did you have a positive reaction to the ad?

Table 4.9

Did you have a positive reaction to the ad?	N(600)	%
Yes	450	75
No	150	25

Interpretation

It is inferred from the above table that 75% of the respondents said they have positive opinion about the advertisement of HSBC and 25% of the respondents does not have positive opinion about the advertisement of HSBC. So majority of the respondents have positive opinion about the advertisement of HSBC

4.10 Would you like to see similar ads like this in the future?

Table 4.10

Would you like to see similar ads like this in the future?	N(600)	%
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Yes	402	67
No	198	33

Interpretation

It is inferred from the above table that 67% of the respondents said they would like to see such advertisement in future also and 33% of the respondents do not want to see such advertisement in future. So majority of the respondents would like to see such advertisement in future.

4.11 Respondent’s response about the source of advertisements

Table 4.11

Source Of Advertisement	N(600)	%
Television	330	55
Radio	18	3
Newspaper	150	25
5Magazine	42	7
Other	60	10

Interpretation

Above table shows that Out of 600 respondents, 55% of respondents considered Television as an effective mean for advertisement, 3% of respondents considered Radio as an effective mean for advertisement, 25% of respondents considered Newspapers as an effective mean for advertisement, 7% of respondents considered Magazines as an effective mean for advertisement and 10% of respondents choose others it may include internet and all. So it is concluded that majority of respondents considered Television i.e. prefer television for as an effective mean for advertisement.

4.12 Consumer perception about the information given by advertisement

Table 4.12

Information In Ads	N(600)	%
Yes	420	70%
No	144	24%
Undecided	36	6%

Interpretation

It is concluded from the above table that 70% of the respondents said the information given in advertisement is very helpful to take any decision, 24% of respondents does not considered it useful and 6% of the respondents does not have any opinion about this statement. So majority of the respondents considered information provided through advertisement is useful which is very helpful to take decision.

4.13 Advertisement effectiveness and improvement in advertisement

Table 4.13

Will the study of advertising strategy helpful to improve the present advertisement of HSBC?	N(600)	%
Yes	420	70
No	90	15
Can’t say	90	15

Interpretation

It is inferred from the above table that 70% of the respondents considered the study of advertising strategy as an important mean to improve the present advertisement of HSBC, 15% of the respondents does not consider advertising strategy as an important mean to improve the present advertisement of HSBC, and remaining 15% of the respondents does not have any opinion about this, so majority of the respondents considered the study of advertising strategy as an important mean to improve the present advertisement of HSBC

4.14 Effect of advertisement on consumers

Table 4.14

Do you think advertising strategy of HSBC helps to increase their customers?	N(600)	%
Yes	366	61
No	144	24
Can't say	90	15

Interpretation

It is inferred from the above table that 61% of the respondents considered the study of advertising strategy as an important mean to increase the customers of HSBC, 24% of the respondents does not consider advertising strategy as an important mean to increase the customers of HSBC and remaining 15% of the respondents does not have any opinion about this, so majority of the respondents considered the study of advertising strategy as an important mean to increase the customers of HSBC.

4.15 Reason for liking of the advertisement

Table 4.15

Reason for liking of the advertisement	N(600)	%
Its themes and making it appeal able	360	60
Its good music	120	20
Other reasons	120	20

Interpretation

It is inferred from the above table that 60% of the respondents considered the theme and appeal of advertising as an important reason for liking of advertising of HSBC, 20% of the respondents consider good music in advertising as an important reason for liking of advertising of HSBC and remaining 20% of the respondents considered other factors as an important reason for liking of advertising of HSBC. So majority of the respondents considered the theme and appeal of advertising as an important reason for liking of advertising of HSBC as its appeal of advertising is emotional.

4.16 Necessity for advertisement

Table 4.16

Do you think advertisement is necessary for HSBC bank?	N(600)	%
Necessary	234	39

Very Necessary	276	46
Can't say	90	15

Interpretation

It is inferred from the above table that 39% of the respondents considered advertising are necessary for HSBC, 46% of the respondents considered advertising is very necessary for HSBC, 15% of the respondents do not have any opinion about this statement. So majority of the respondents considered advertising is very necessary for HSBC.

4.17 Reason for difference in advertising effectiveness

Tale 4.17

Reason for difference in advertising effectiveness	N(600)	%
Education	240	40
Liking	120	20
Standard of living	120	20
Level of development	120	20

Interpretation

It is inferred from the above table that 40% of the respondents considered education as one of the main reasons for advertising effectiveness, while equal percentage of respondents are in favor of likings, standard of living and level of development.

Statistical Analysis

Testing of hypothesis

Null Hypothesis (H₀): it will be assumed for the study that views of male and female respondents views does not differ regarding advertising strategy followed by HSBC

Alternate Hypothesis (H₁): it will be assumed for the study that views of male and female respondent's views differ regarding advertising strategy followed by HSBC

Validity of hypothesis with the help of chi-square test

S.NO.	Hypothesis	Calculated Vale of chi sq	Dof	Status
1	It is taken that the opinion about necessity of advertisement remains same for male and female respondents.	7.936	2	Rejected
2	It is taken that the opinion about reason for likings of advertisement remains same for male and female respondents.	8.44	2	Rejected
3	It is taken that the both male and female respondents have positive reaction about the advertisement	2.45	1	Accepted
4	It is taken that both male and female perception about the information given by advertisement will be same.	0.0896	2	Accepted

Interpretation

- It is taken that the opinion about necessity of advertisement do not remains same for male and female respondents as the null hypothesis are rejected because the calculated value is greater than the tabulated value.
- It is taken that the opinion about reason for likings of advertisement remains same for male and female respondents as the null hypothesis are rejected because the calculated value is greater than the tabulated value.
- It is taken that the both male and female respondents have positive reaction about the advertisement it is accepted as in this situation calculated value is less than the tabulated value.
- It is taken that both male and female perception about the information given by advertisement will be same as null hypothesis is accepted because calculated value is less than the tabulated value.

Conclusion

As we all know that advertising is, after all, for the marketer, a powerful persuasive tool for creating a demand for his product. Consumers apparently feel that they have nothing to gain from these advertisements. Most of us do not have cent percent faith in the correctness of the advertising message. We have some sort of predetermined impression that advertisements are only highlighting the benefits of the product which are not too important while try to hide the drawbacks which are more important for a customer to know. The HSBC advertising campaign clearly invokes all types of motivation such as Achievement motive, Power motive, Affiliation motive, Affiliation motive. This is actually imperative for the company, since they have as their audience people of all ages, gender, races, and culture. The “Business Connections” ad campaign illustrates the achievement motive, primarily because HSBC Feelings of approval and/or reproach over the said cultural norms shows how achievement—that is, to achieve and conform to the cultural norm—becomes a primary factor that convinces the consumer to subsist to the product or service. Similarly, the illustration of a particular culture through print advertisement creates the impression that every culture has power, thereby influencing the consumer that as member of that culture he has power to approve or disapprove of the ad and patronize or not patronize the product or service advertised. The most important and dominant motives included in the ad are the uniqueness, affiliation, and self-esteem motives. In the HSBC ad campaign, the showcasing of a particular culture per ad illustrates the strong regard the company has for cultures of the world—that is, the uniqueness of a society or nation and the individual. In the end we are able to say that the advertisement strategy of HSBC is very attractive as it emphasized on uniqueness, affiliation, and self-esteem motives. Also in order to increase its customers its make unique advertising for future

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WORKING CONDITIONS OF WOMEN DOMESTIC WORKERS EVIDENCES FROM PANIPAT DISTRICT

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ABSTRACT

The role of women in the development of economy and society is not less important than men, who constitute almost the half of the total world population. Women, especially the urban women, work at a variety of tasks leaving little time for leisure. They have little control over the income they earn for the family. They also have little control over the productive resources. Women in the third world countries are found working in various spheres, e.g., in the agricultural fields, in the plantations, in the orchards, in cottage and small-scale enterprises, in manufacturing and so on. In every sphere of economic activity they contribute a lot but what they get in exchange, is always less than what their male counterparts get for the same type of job. Over last few decades, there have been a rapid growth in the number of women employed in India with majority of them being engaged in informal sector of the economy where jobs are often low paid and repetitive. Domestic servants are engaged in a variety of works like washing utensils and clothes, fetching water, sweeping and cleaning house along with irregular marketing, grocery, shopping, ration drawing etc. In spite of their involvement in multifarious activities as domestic servants the wage they receive are the lowest and the problems they face in work-place are many. This paper, exploring primary data collected from 200 women domestic workers in Panipat District, evidently brings out that domestic work as a feminine occupation. Based on the findings, we argue why it is important to create a comprehensive social security system for domestic workers in India.

Keyword: Leisure, Women, Domestic servants, child laborers.

INTRODUCTION

In the post independence most of the migrants are males so that domestic work is a male job. In the course of time, workers migrated with families, forced males to undertake other jobs leaving domestic help for their female counterparts. Hence, there has been increase in the proportion of women employed in domestic work, but the demographic profile of the domestic work force has also changed. Before a few decades ago, most domestics were female heads of households, in particular widowed, deserted and older women. As family migration has increased younger women increasingly adopt domestic work.

Social Security and Welfare Act 2008 -NCW Draft bill (ILO, 2009), defined domestic worker as, " A person who is employed for remuneration whether in cash or kind, in any household through any agency or directly either on a temporary basis or permanent, part time or full time to do house hold work or allied work includes but is not limited to activities such as cooking or part of it, washing clothes of the children /sick/ old/ handicapped or utensil, cleaning or dusting of house caring, nursing".

Domestic workers make up a large portion of the workforce, especially in developing countries because of inability of formal sector in providing jobs, inadequate earnings of the male counterparts, poverty, no skill and formal education to find suitable employment, easy access of this kind of jobs in urban areas and no opportunity cost are the push factors. Whereas from the employers point of view break down of joint families, growing female work participation, growing income levels, status sensitivity, double work burden, availability of labour at cheaper wages at convenient terms and to enjoy more leisure are the pull factors for the growth of this sector. The number of domestic workers has been increasing in the industrialized world due to aging and reduction of government expenditure on welfare activities. At

present, paid domestic work is the fastest growing sector of employment for urban women. Government policies are not effective enough to curb the problem of maid abuse, as it is difficult to enforce the law for every household. The public perception of domestic work is often, that it is undignified work, and the workers in this sector should be pitied as they are not qualified for anything else. Violence against domestics is hard to quantify, but it falls in to various types physical violence, ranging from rape to repeated slapping, kicking, hair-pulling, pinching, scalding and food deprivation, over work without extra pay, non-payment of wages or reduction of wages and poor living conditions. According to the **report of the National Commission on Self Employed Women**, women in the informal sector 'of all the services in India this is the most unregulated and disorganized, and often the most denigrating and humiliating'. Many of the higher caste employers do not allow Scheduled Caste women/men in cooking. The caste is not generally considered for all other household jobs. Migrant domestic women workers are among the world's most vulnerable and discriminated workers. Domestic child labour is treated as the employer's property, as little slaves who can used to perform any task. They are subject to third degree treatment and sexual exploitation. There are more girls under age sixteen employed in domestic service than in any other form of child labor (ILO). In 1999, the UN declared "child domestic servants not only work long hours for a pittance but are particularly vulnerable to sexual as well as other physical abuse". Part time domestic work has become increasingly popular in India. Women perform number of tasks in different houses and return home to their house work. Employers also prefer part time domestic help because of problem of space in urban setting and cost involved in employing full time domestic workers. A large number of domestic workers belongs to lower castes and marginalized sections of the society number of domestic workers found today has increased greatly over the last three decades .The increase can be because of modernization which has led to more women working out of the home and having to be replaced by domestic workers, big development projects forced entire population to migrate to the cities in order to survive. The emergence nuclear families are also reason for the appointment of domestic workers to look after house hold tasks. India does not include domestic workers in the minimum wage legislation (ILO,2010).

REVIEW OF LITERATURE

Informal sector is normally a larger source of employment for women than for men in the developing world. Women labor force in informal sector is increasing because men choose employment in the formal sector of the labor market. A place where labor is exchanged for wages; an LM is defined by geography, education and technical expertise, occupation, licensure or certification requirements, and job experience (Nair, 2008).

When material deprivation dictates poor women to contribute to the household survival, it is the informal sector that comes to their rescue. In India, the great majority of female informal labor force is working and their number is increasing at faster rate across various occupations and operations in both organized and unorganized sectors (Chen et al, 2006).

Desauza (1959) pointed out that due to industrialization and changes in socio-economic life of the people, more and more people depend on domestic servants. Therefore, the movement of the poor from rural to urban areas has been steadily increasing and they have been employing themselves in domestic service.

In fact, in many rural areas, female labourers work as domestic servants, often combining this employment with agricultural work on a seasonal and even daily wage basis (Kothari, 1991).

Ravichandran (1979) in his study on women domestic workers in Madras slums revealed their deplorable socio-economic conditions. It further indicated that 60 percent of the women domestic workers belonged to Scheduled Castes. More than 50 percent were illiterate and remaining had primary education. Domestic workers continue to earn lower wages, usually below the state's minimum wages and exploited

by employers and employment agencies. Wages paid are usually low both in absolute as well as compared to other occupations, even to other low productivity activities. Gender pay gap is also exists in this sector. Domestic workers are being treated as 'invisible' work force. Live in domestics are often even locked up in house. In a patriarchal society such as India's cooking, washing and cleaning have always been left women of the house. Since house work has been linked to the lower castes, most domestic workers are poorly paid or under paid. Since domestic work is not regulated, employers can hire fire and treat such workers as they please. They are often seen as non persons and not even called by name. (Scaria, 2004). Different types of abuses they are facing are beating, burning with hot iron, threats, insult and humiliation by shaving heads, food deprivation, sexual exploitation, etc (Human Rights Watch 2008).

Linking larger debate on Domestic work to the present Study

Viewing the nature of domestic work in ancient India, Greece and Rome, Khanderia (1947) traces roots of domestic work to slavery and colonial features. Further pointing but how caste system in India emerged as a result of dominance from the Aryans who invaded India during 3000 BC, Khanderia explains that the invasion of Aryans lead to stratification of society into four colors- Brahmins, Khatriyas, Vaishyas and Sudras- which is present even today's modern India. Through the stratification of people into Aryans and non-Aryans, hierarchy of work was created where higher order works were made available to higher strata of the society, and lower order works for Sudras. Even today, despite the changing economic scenarios, we see the slavery, which is very well termed as "modern slavery under globalization" (McGovern, 2003) in the form of domestic work. The scenario of modern slavery is not only visible in developing world, but also very clearly visible in highly developed geographies such as Europe. In the form of domestic work cruel forms of slavery like forced labour or servitude is part of elite societies (Mantouvalou, 2006). Domestic work in the recent literature and policy debates appears to be a "different" (Peterson, 2007) form of work. This recurrent framing of domestic work as 'different', in fact, legitimizes while pointing at precarious working conditions, as a lineage from the colonialism, and servitude approach of the society (Ibid). Domestic work is not only a most heinous nature of work, but also remains a devalued sector with a precarious working conditions, to an extent, why today, domestic work still remains a low valued and invisible work has a roots in the capitalistic and patriarchal discourses (Francois, 2008). Further, in this context, low wage scenario in domestic work segment is very well understood, owing to the reason that domestic work was traditionally considered to be an unpaid activity, mainly performed by female members of the family. This gender relations in the context of domestic work, as ILO defines "gendered" family responsibilities in private homes (ILO, 2010), offers a convincing argument for low wage offered in this labor segment.

Further, the domestic work also produced racial, gender and class discrimination in society (Ibid). Importantly, racism and discrimination based on migrant status, especially in so called 'democratic and secular' lands like United Kingdom (Anderson, 2007) remains as an example to argue why domestic workers across the globe are in need of an appropriate state intervention. In recent days, the ILO (2010) report compares the domestic work to more of "master-servant" relationship that takes our thinking and imaginations once gain back to many centuries. It is apparent from this expression that employee-employer relationship suffers many deficiencies, especially contractual nature of the work, migrant status of the employee, and formal nature of interactions do not allow a healthy relationship to develop between employer and employee (Chan, 2005). Interestingly, racism scenario doesn't only confine to the migration status, color of the skin, or religion of the person, given the nature of co- existence of people from multiple religions, multiple castes within these religions, sub castes within a caste, and different community identities within a sub caste makes the analysis more complex.

In a traditional description, domestic work was considered to be an unpaid work performed mainly by females in the family. In the given changing socio-economic scenario such as increasing ageing

population, occupations in industries becoming more lucrative with changes "in the organization of work and the intensification of work" (ILO, 2010a), prompting participation of women, especially women from middle class families (Platzer, 2006), in labor market , hence the so called 'un-paid non- market activity', domestic work remains out of the purview of list of occupational options for educated persons, while raising the importance of outsourced domestic work as a separate occupation, mainly performed by migrant workers or economically weaker sections of the society. Partly, this phenomenon leads to a crucial role in making domestic work a segment of employment choice for millions of workers across the world (ILO, 2010).

OBJECTIVES OF THE STUDY

- To analyze the profile of female domestic workers.
- To analyze the type of work performed by them.
- To analyze the type of facilities provided to the female domestic workers.
- To know the level of income earned by them.
- To analyze the methods of getting their job and reasons for choosing the job.
- To ascertain the level of satisfaction of female domestic workers.
-

RESEARCH METHDOLDOGY

The research design used **conclusive** type. As this project undertakes to study about women as domestic workers, hence **descriptive** research design of the conclusive type is followed. A well designed, structured schedule was used for data collection, with some close ended questions. To collect data convenience sampling technique was used. The sample consist of 200 female respondents form Panipat district

LIMITATIONS

Every study has its own advantages and disadvantages. Similarly this study is also having some limitation.

- As the study will be based upon primary data and observation hence the probability of reasonable bias cannot be over ruled.
- Time and cost factor proved out to be a limitation for the research study. The respondents may refuse to give information due to lack of time.
- Respondents due to illiteracy fail to give proper information to all these questions.
- Non cooperative attitude of respondents is also a limitation of the study.

DATA COLLECTED

TABLE 1

Age (Years)

14-25

25-35

35-45

45-55

Total

TABLE 2

%age of Responses

33.5

39

17.5

10

100

Education

Illiterate

Primary

Middle

Matric

Total

%age of Responses

64.5

24

7.5

4

100

TABLE 3

Marital Status

Unmarried

%age of Responses

20

TABLE 4

Number of Children

2—4

%age of Responses

58

Married	62.5	4—6	29.5
Widow	17.5	6+	12.5
Total	100	Total	100

TABLE 5

Do you send your children to school	%age of Responses
Yes	70
No	30
Total	100

TABLE 6

Nativity	%age of Responses
Rural	78.5
Urban	21.5
Total	100

TABLE 8

Occupation of husband	%age of Responses
Riksha Puller	16.5
Sweeper	12
Shopkeeper	13.5
Auto Driver	15
Factory Worker	42
Truck Driver	1
Total	100

TABLE 10

Daily community distance covered from their house to work place	%age of Responses
Less than 1 km	52.5
1 km	22.5
1-2 km	11.5
2-3 km	8.5
3 + km	5
Total	100

TABLE 12

Reasons for choosing this job	%age of Responses
Economic compulsion	64
Easy to perform this job	25
Easy to get this job	11
Total	100

TABLE 7

State of region	%age of Responses
Haryana	56
Other than Haryana	44
Total	100

TABLE 9

Method of getting job	%age of Responses
Workers own efforts	17.5
Through relatives	24
Fellow workers	43.5
Their neighbours	15
Total	100

TABLE 11

Mode of travelling	%age of Responses
Walking	88.5
Rickshaw	6
By Auto	3
Any other	2.5
Total	100

TABLE 13

Number of houses she is doing work	%age of Responses
2—3	35.5
3—5	52
5+	12.5
Total	100

TABLE 14

Type of work performed	%age of Responses
Cleaning of utensils	11.5
Cleaning of floors	15
Washing clothes	9.5
Cooking food	5
Look after children	14
Combination of Any Two or Three	45
Total	100

TABLE 15

Approximate income	monthly %age of Responses
500-1000	29
1000-2000	28
2000-3000	32.5
3000-4000	6
Above 4000	4.5
Total	100

TABLE 16

Do the employers offer any type of refreshment	%age of Responses
Yes	83
No	17
Total	100

TABLE 17

Do you get any type of gift or money during festivals	%age of Responses
Yes	98
No	2
Total	100

TABLE 18

How you get treated by your employers	%age of Responses
As family member	41
As a servant	48
Excessive Command	11
Total	100

TABLE 19

Approximate hours work done by you	%age of Responses
1-2 hours	29.5
2-5 hours	63
More than 5 hours	7.5
Total	100

TABLE 20

Do you get any holiday in month without deduction in the salary	%age of Responses
Yes	87
No	13
Total	100

TABLE 21

Do you want to shift to some other job	%age of Responses
Yes	54
No	46
Total	100

TABLE 22

Mode of saving	%age of Responses
Bank	18
Post Office	13.5
Give to husband	68.5
Total	100

TABLE 23

Up to what extent you are satisfied from this job	%age of Responses
Satisfied	49
Partially satisfied	37
Dissatisfied	14
Total	100

FINDINGS

From our survey, the data collected with the help of survey was processed through statistical techniques and analyzed to draw a conclusion from the study. Basically the questions were analyzed on the basis of responses of female domestic workers and are as follows:

- **Employees Profile:** Majority of the respondents lie in the age group between 25-35 and were

illiterate. Most of the respondents were married and from rural background because poverty and unemployment is more in rural areas. (Table 1,2,3 & 6)

- **Family structure:** Most of workers had 2-4 children. They used to send their children to schools and majority of respondents' husband worked in factory to earn livelihood. (Table 4, 5 & 8).
- **Method of getting job:** They had various modes to get job like with the help of relative or neighborhood, by own efforts but maximum get job with the help of fellow workers.(Table 9)
- **Movement to workplace:** The respondents cover the distance from their house to workplace on foot because their income level is low and they can't afford rickshaw or auto for traveling only few respondents take rickshaw or auto. And they mainly prefer to work nearby their home. (Table 10 & 11)
- **Requirement of Working:** Most of the workers are doing this type of job due to economic compulsion but they do want to shift to some other job but for more betterment and are satisfied regarding their job. (Table 12, 21 & 23)
- **Nature of Service:**
 - **Number of Houses Covered:** Majority of the respondents cover 3-5 houses per day and approximate hours work done by them are 2-5 hours. (Table 13 & 19)
 - **Type of domestic services:** Each respondent performed lot of works and majority of the women done cleaning of floors and cleaning of utensils. Most of the respondents argued that they got refreshment by their employers but treated as servants. Only few were committed that they were treated as family members.(Table 14 & 18)
- **Wage & Savings:** Most of the women earn the income between 2000-3000 and deposit their earnings in banks or post office or give to their husband but majority of the workers prefer to give to their husband.(Table 15 & 22)
- **Other Facilities:** Most the workers get refreshment from their employers, gifts on festival & 1-2 holidays in a month without any deduction of income.(Table 16,17 & 20)

SUGGESTIONS

- The female domestic workers should not be exploited and they must be **treated as family members**.
- **Refreshment should be offered** from time to time so that they work properly.
- **Holiday should be given** for genuine cause without deduction in their salary.
- Some **gifts or money should be given during festivals** in order to make the sincerity towards their work.
- There should be **trust on the employees** so that they feel comfortable and become loyal towards their work and satisfied regarding their environment in which they have to work.
- **Proper salary must be paid** according to their work.
- Due to lack of employment opportunities in rural areas **rural development programmes** in rural areas **should be strengthened** to increase the employment opportunities in villages.
- Majority of the women are doing these types of jobs due to economic compulsion, hence, **poverty elevation programmes** should be organized from time to time.
- Most of the women are uneducated, hence **education development programmes** should also be organized in rural areas.
- Some **development programmes should be organized by the government** for widows and women of weaker section and some educational facilities should be provided by the government to the children of these domestic workers.

CONCLUSION

This paper, exploring primary data collected from women domestic workers in Panipat, evidently brings out that domestic work as a feminine occupation

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A COMPARATIVE PERFORMANCE ANALYSIS OF LEADING AUTOMOBILE INDUSTRIES: AN EMPIRICAL APPROACH

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Abstract

The automotive industry is increasingly becoming the center of attraction for the manufacturing sector across the globe. Automobile Industry in India is growing in a very high rate with more than 1 million passenger vehicle sales per annum and overall 10-15% growth annually. The industry has been evolving over the years, meeting up with challenges as diverse as transitions, consolidations and restructuring, and thereby adapting to the new market conditions. With the increasing demand for the newly invented automobiles its production also increased many folds. This industry also contributed its due share in the GDP of the country. The main objective of the study is to find out the performance evaluation of the top most leading automobile Industries in India and also find the relationship between them for getting the profitability measures. The purpose of studying the financing performance of automobile Industries in India from the top 5 companies in India which is highly performed in overall growth in terms of finance, exports and total assets value. The present study is mainly based on secondary data to examine the financial performance of Tata Motors Limited, Mahindra & Mahindra, Maruti Suzuki India Limited, Bajaj Auto Limited and Hero Motocorp for a period of five years from 2008 to 2012. In order to evaluate the financial performance, tools like, mean, standard deviation and correlation test have been used. The study has analyzed the short term and profitability position of leading automobile Industries in India, some of the important ratios were used to measure the financial performance of these companies.

Key Words: *automotive industry, GDP, performance evaluation, total assets value*

INTRODUCTION

The automotive industry in India is one of the largest in the world and one of the fastest growing globally. India's passenger car and commercial vehicle manufacturing industry is the sixth largest in the world. The Indian automotive industry has demonstrated sustained growth as a result of increased competitiveness and relaxed restrictions. The gross domestic product popularly known as GDP of an economy requires contribution from major industries to be healthy. India is largely an agrarian economy, so agriculture makes the major contribution to the GDP, but there are several other sectors that are important contributors to the GDP of India and Automobile industry is one of them. India has become one of the international players in the automobile market. In current scenario Indian automobile industry is one of the most vibrant, modern and upbeat automobile markets of the globe. Demographically and economically, India's automotive industry is well-positioned for growth, servicing both domestic demand and, increasingly, export opportunities. A predicted increase in India's working-age population is likely to help stimulate the burgeoning market for private vehicles. The main objective of the study is to find out the performance evaluation of the top most leading automobile industry in India and also find the relationship between them for getting the profitability measures. The study also predicts the financial health and viability of the industry. As the economic sustainability and increasing living standards and purchasing powers of the Indian customer's automobile sector has a bright coming future and in order to fulfill the objective, we empirically try to reexamine the most commonly referred methods like correlation and standard deviation using recent data from 2007-2012.

LITERATURE REVIEW

K.S. Dixit, J.P. Modak and M. P. Singh (2011) in their study reviewed that the lack of adequate knowledge and unavailability of specific literature provide numerous challenges to automobile sector. The study was carried out to assess the past research efforts and its validity for possible application and formulation of novel approaches for sustainable growth of service quality in industry in general and automobile sector in particular.

Dr. Govind P. Shinde, Dr. Manisha Dubey (2011) explained the current and future market trends, and developments in the Indian automobile market. The study showed that the economic sustainability and increasing living standards and purchasing powers of the Indian customer's automobile sector has a bright coming future and the industry is recording increasing growth rate in sales and the strict quality standards, services and use of latest technology can provide an edge over competitors across the globe.

Sarbapriya Ray (2011) investigated the financial health of automobile industry in India and test whether Altman's Z score model can foresee correctly the corporate financial distress of the automobile industry in Indian context. The study suggested that Internet based car manufacturers can effectively maximise level of satisfaction of the existing and prospective customers by adopting the suggested model.

Lazaridis and Tryfonidis (2006) conducted a cross sectional study by using a sample of 131 firms listed on the Athens Stock Exchange and found statistically significant relationship between profitability, measured through gross operating profit and cash conversion cycle and its components. By using correlation and regression tests, they suggest that managers can create profits for their companies by correctly handling the cash conversion cycle and by keeping each component of the conversion cycle at an optimum level.

HISTORY OF AUTOMOBILE INDUSTRY IN INDIA

The history of Automobile Companies in India, in the late 1890's. Tata Motors launched its first truck in India. It was done in association with new Mercedes-Benz. Though automobiles were introduced to India in the late 19th century, India started manufacturing automobiles after the independence. Some of the early Automobile Companies in India are - Hindustan Motors, Premier Automobiles, Tata Motors, Bajaj Auto and Ashok and Standard Motors. Sanjay Gandhi was the first Indian politician who supported the requirement for a "people's car". During that time Maruti Udyog, was launched and achieved over 50% market share. After the liberalization in 1991, India's Automobile Industry grew in leaps and bounds. With the growth in the Indian economy, big international Car manufacturers like General Motors, Ford, Toyota, Honda, Hyundai, Rolls Royce, Bentley and Maybach entered the Indian market. With the introduction of several automobiles in India, highways or expressways were constructed. The famed international automakers like Ford, Suzuki, GM and Honda have their manufacturing bases in India. But, Automobile Industry in India is dominated by domestic companies like Maruti Suzuki, Tata Motors, Hero Honda, Mahindra & Mahindra, and Bajaj Auto.

COMPANY PROFILE

Tata Motors Limited – Tata Motors Limited is engaged in providing engineering and automotive solutions, construction equipment manufacturing, automotive vehicle components manufacturing and supply chain activities, machine tools and factory automation solutions, high-precision tooling and plastic and electronic components for automotive and computer applications, and automotive retailing and service operations. It operates in two segments: automotive operations and all other operations. Its automotive operations include all activities relating to development, design, manufacture, assembly and sale of vehicles, including financing thereof, as well as sale of related parts and accessories. Its other operations business segment includes information technology (IT) services and machine tools and factory

automation solutions. During the fiscal year ended March 31, 2012 (fiscal 2012), the Company sold 1,269,483 vehicles.

Mahindra & Mahindra - Mahindra & Mahindra Limited is an India-based company. The Company operates in nine segments: automotive segment, which includes sales of automobiles, spare parts and related services; farm equipment segment, which includes of sales of tractors, spare parts and related services; information technology (IT) services, which consists of services rendered for IT and telecom; financial services includes services relating to financing, leasing and hire purchase of automobiles and tractors; steel trading and processing includes trading and processing of steel; infrastructure includes operating of commercial complexes, project management and development; hospitality segment includes sale of timeshare; Systech segment includes automotive components and other related products and services, and its others segment includes logistics, after-market, two wheelers and investment. The Company has 44.19% interests in Swaraj Automotives Limited.

Maruti Suzuki India Limited - Maruti Suzuki India Limited (MSIL) is primarily in the business of manufacture, purchase and sale of motor vehicles and spare parts (automobiles). The other activities of the Company consist of facilitation of pre-owned car sales, fleet management and car financing. The Company offers a range of cars across different segments. It offers 14 models with over 200 variants across the industry segments like Passenger cars, utility vehicles and vans. The Company has five plants in the Gurgaon and Manesar areas of Haryana equip Maruti Suzuki with a production capability of 1.55 million units per annum. The Company passenger car include Alto, Alto-K10, A-star, WagonR, Swift, Ritz and Estilo, off-roader Gypsy, SUV Grand Vitara, sedans SX4, Swift DZire and Kizashi. During the fiscal year ended March 31, 2012 (fiscal 2012), the Company sold over 1.13 million vehicles, including 127,379 units of exports. The Company is a subsidiary of Suzuki Motor Corporation.

Bajaj Auto Limited - Hero MotoCorp Limited, formerly Hero Honda Motors Limited is an India-based company engaged in the manufacture of motorcycles. The Company is engaged in manufacturing of two wheelers and its parts and ancillary services. The Company's bikes are manufactured across three manufacturing facilities. Two of these are based at Gurgaon and Dharuhera, which are located in the state of Haryana in northern India. The third manufacturing plant is based at Haridwar, in the hill state of Uttarakhand. The Company has 17 different products across 100 cubic centimeter (cc), 125cc, 150cc, 225cc and scooter category. The Company offers a range of bikes which include CD Dawn, CD Deluxe, Splendor Plus, Splendor NXG, super splendor and Passion Pro. It exports exports to international markets under the brand name Hero.

Hero Motocorp - Hero MotoCorp Limited, formerly Hero Honda Motors Limited is an India-based company engaged in the manufacture of motorcycles. The Company is engaged in manufacturing of two wheelers and its parts and ancillary services. The Company's bikes are manufactured across three manufacturing facilities. Two of these are based at Gurgaon and Dharuhera, which are located in the state of Haryana in northern India. The third manufacturing plant is based at Haridwar, in the hill state of Uttarakhand. The Company has 17 different products across 100 cubic centimeter (cc), 125cc, 150cc, 225cc and scooter category. The Company offers a range of bikes which include CD Dawn, CD Deluxe, Splendor Plus, Splendor NXG, super splendor and Passion Pro. It exports exports to international markets under the brand name Hero.

IMPACT OF AUTOMOBILE INDUSTRY ON THE ECONOMY OF INDIA

At present time, Indian automobile industry is making a major contribution in increasing the country's

GDP by 9% every year. New heights has been scaled by the industry in the year 2010. In January 2010, total automobile sales figures in the domestic market shows an increment of 44.9%. Annually, the Indian automobile industry is growing at an average rate of 30% and marking itself as one of the fastest growing industries in India. According to the reports of Society of Indian Automobile Manufacturers, annual car sales are estimated to reach 5 million vehicles by 2015 and more than 9 million by 2020. To believe New York Times reports, several automobile companies have expanded their manufacturing facilities owing to India's strong engineering base and expertise in the manufacturing of low-cost, fuel-efficient cars. The automotive industry is increasingly becoming the cynosure of the manufacturing sector across the globe. The attention and importance to the automotive industry in the economic development and planning policies of Government and its agencies has also witnessed significant uprise. The industry has been evolving over the years, meeting up with challenges as diverse like transitions, consolidations and restructuring, and thereby adapting to the new market conditions.

OBJECTIVES OF THE STUDY

- * To analyze the management of working capital and liquidity position of companies.
- * To identify the net profit and EPS growth rate performance of companies.
- * To analyze the correlation coefficient between some factors related to profitability and financial position of the company.

METHODOLOGY

The purpose of the study is to examine the financial performance of top 5 Automobile companies of India- Tata Motors Limited, Mahindra & Mahindra, Maruti Suzuki India Limited, Bajaj Auto Limited and Hero Motocorp for five years in the period between 2008-2012. The present study is based on secondary data which were collected from the corporate annual audited reports, company database, published research reports by various industries, and research organization. The exploratory research techniques have been used for this study and also the study is restricted only to India based Automobile organizations. In order to evaluate the financial performance, tools like mean, standard deviation and correlation test have been used.

Data source: <http://www.moneycontrol.com/financials/co.name/balance-sheet/TM03>

RESULT AND DISCUSSION

Current Ratio: current ratio is the most common ratio for measuring liquidity. It defines the relationship between current assets and current liabilities. It is calculated by dividing the total of current assets by total of current liabilities. The current ratio of a firm measures its ability to meet short term obligations. If the ratio is low, it represents that the liquidity position of the firm is not good and the firm is not able to pay its current liabilities immediately. On the other hand, if the current ratio is very high, it indicates idle assets which are not properly utilized. If current ratio is bellow 1 (current liabilities exceed current assets), then the company may have problems paying its bills on time. A current ratio of **2:1** is considered an ideal situation.

	2008	2009	2010	2011	2012
Tata Motors Ltd.	.89	.84	.62	.77	.62
Mahnindra &Mahindra	.86	.90	1.11	.86	.95
MarutiSuzuki India Ltd	.91	1.51	.91	1.47	1.02
Bajaj Auto Ltd.	.88	.80	.69	.84	.88
Hero Motocorp	.48	.46	.58	.24	.42

The above table shows the selected 5 companies current ratio to analyze the short term solvency for the period between 2008 to 2012. Among these Tata Motors Ltd., Bajaj Auto Ltd., and Hero Motocorp have current ratio below 1 which indicate that the liquidity position of these companies are not good and the companies are not able to pay their liabilities immediately. Maruti Suzuki India limited showed better performance than these companies, it means it has sufficient current assets available to pay its current liabilities timely.

EPS: Earning per share is a small variation of return on equity capital employed. The profitability of the ordinary shareholders can be judged in terms of EPS by dividing the net profit after tax and preference dividend by the total number of equity shares. It helps in determining the market price of the equity share of the company. It also indicates the company's capacity to pay dividend to its equity shareholder. A comparison of EPS of the company with another will also help in deciding whether the equity share capital is being effectively used or not.

	2008	2009	2010	2011	2012
Tata Motors ltd.	52.63	19.48	39.26	28.55	3.91
Mahnindra & Mahindra	46.15	30.69	36.89	45.33	48.88
Maruti Suzuki India Ltd	59.91	42.18	86.45	79.21	56.6
Bajaj Auto Ltd.	52.25	45.37	117.69	115.42	103.81
Hero Motocorp	48.47	64.19	111.77	96.55	119.09

The above table shows EPS growth performance of the selected 5 companies in which Tata Motors limited showed decreasing trend in EPS. Mahindra & Mahindra showed low growth rate in 2009 but after this period its EPS is in increasing rate. Hero Motocorp and Bajaj Auto Limited showed satisfactory growth rate in EPS while Maruti Suzuki India Limited has much variations in the growth rate.

DPS: This ratio is designed to measure the income received by shareholders from each share owned. It is normally less than earnings per share because a certain amount of profit is usually retained by a company for reinvestment purposes. Dividend per share is the earning distributed to ordinary shareholders divided by the number of ordinary shares outstanding. DPS is an amount of money paid by a company as dividend for each share of stock held. Some investors believe that the higher the dividend, the more optimistic the company's outlook on its long-term earning power. Growth companies, however, tend to have no or limited dividends in order to put the profits back into the company for continued expansion.

	2008	2009	2010	2011	2012
Tata Motors ltd.	15	6	15	20	4
Mahnindra & Mahindra	11.5	10	9.5	11.5	12.5
Maruti Suzuki India Ltd	5	3.5	6	7.5	7.5
Bajaj Auto Ltd.	20	22	40	40	45
Hero Motocorp	19	20	110	105	45

As shown in the above table Bajaj Auto Limited showed increasing DPS rate every year, while Hero Motocorp distributed the highest amount of DPS in the year 2010 and 2011. DPS rate of Tata Motors Limited and Maruti Suzuki India Limited are very low in comparison to other companies.

Return on Net Worth: This is the ratio which measures how well the company is investing the money

invested in it. A high return on equity indicates that the company is spending wisely and is likely profitable; a low return on equity indicates the opposite. As a result, high returns on equity lead to higher stock prices. The Return on Equity of a company measures the ability of the management of the company to generate adequate returns for the capital invested by the owners of a company. Generally a return of 10% would be desirable to provide dividends to owners and have funds for future growth of the company. It is more than a measure of profit; it's a measure of efficiency. A rising ROE suggests that a company is increasing its ability to generate profit without needing as much capital. It also indicates how well a company's management is deploying the shareholders' capital. It is important to note that if the value of the shareholders' equity goes down, ROE goes up. Thus, write-downs and share buybacks can artificially boost ROE. Likewise, a high level of debt can artificially boost ROE; after all, the more debt a company has, the less shareholders' equity it has (as a percentage of total assets), and the higher its ROE is. Some industries tend to have higher returns on equity than others. As a result, comparisons of returns on equity are generally most meaningful among companies within the same industry, and the definition of a "high" or "low" ratio should be made within this context

	2008	2009	2010	2011	2012
Tata Motors ltd.	25.98	8.09	15.15	9.06	6.42
Mahnindra &Mahindra	23.8	25.92	26.74	16.03	25.51
MarutiSuzuki India Ltd	20.56	13.04	21.1	16.5	10.76
Bajaj Auto Ltd.	47.61	38.92	58.14	68.01	49.72
Hero Motocorp	32.41	33.72	64.41	65.21	55.43

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
TATA	5	6.42	25.98	12.9400	8.00020
MAHINDRA	5	16.03	26.74	23.6000	4.36563
MARUTI	5	10.76	21.10	16.3920	4.54160
BAJAJ	5	38.92	68.01	52.4800	11.05017
HERO	5	32.41	65.21	50.2360	16.14501
Valid N (listwise)	5				

Correlations

		TATA	MAHINDRA	MARU TI	BAJAJ	HERO
TATA	Pearson Correlation	1	.109	.807	-.078	-.412
	Sig. (2-tailed)	.	.862	.099	.901	.490
	N	5	5	5	5	5
MAHINDRA	Pearson Correlation	.109	1	-.047	-.713	-.358
	Sig. (2-tailed)	.862	.	.940	.177	.555
	N	5	5	5	5	5
MARUTI	Pearson Correlation	.807	-.047	1	.344	.069

	Sig. (2-tailed)	.099	.940	.	.571	.913
	N	5	5	5	5	5
BAJAJ	Pearson Correlation	-.078	-.713	.344	1	.854
	Sig. (2-tailed)	.901	.177	.571	.	.066
	N	5	5	5	5	5
HERO	Pearson Correlation	-.412	-.358	.069	.854	1
	Sig. (2-tailed)	.490	.555	.913	.066	.
	N	5	5	5	5	5

The Karl Pearson Coefficient of Correlation shows the degree or the intensity of relationship between two variables. Co-efficient of correlation is a single number that tells us to what extent the two variables are related and to what extent the variations in one variable changes with the variations in the other. The measurement of correlation between two variables results in a maximum value that ranges from -1 to +1, through zero. If the relationship between any two variables is such that with an increase in the value of one the value of the other increases or decreases, in a fixed proportion, correlation between them is said to be perfect. If both the series move in the same direction and the variations are proportionate there would be perfect positive correlation between them. On the other hand, the two series move in reverse direction, and the variations in their values are always proportionate then it is a perfect negative correlation. In case of perfect positive correlation the result will be +1, and in case of perfect negative correlation the result will be -1.

Conclusion

In this study the short term solvency and profitability position of the leading top 5 Automobile companies in India has been analyzed. Some important ratios were used to measure the financial performance of these companies. The study showed that on the basis of Net worth ratio Bajaj Auto Limited and Hero Motocorp both are performing better than the other companies. Both the companies are found in satisfactory level of net profit growth. The correlation Matrix indicates that performance of Tata with Mahindra and Maruti is positively correlated whereas with Bajaj and Hero it is negatively correlated. On the other hand there is positive correlation between Bajaj Auto Limited and Hero Motocorp. Hence Automobile companies will need to stay focused on their performances and on evolving changes and their customers as this will determine their ultimate impact on the automotive industry.

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“WHY SHOULD BOYS HAVE ALL THE FUN?”-A STUDY ON GROWING INFLUENCE OF WOMEN CONSUMERS IN INDIA

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Abstract

The 21st century has come with a set of changes in terms of culture, lifestyle etc. One aspect of changes has been in the demographic fabric of India. On one side there is the steady increase in the youth, on the other hand the women population has been able to arise and be reckoned as a vibrant market. Purchase decisions traditionally had been an area for the male members of the family. However the rising purchasing power has shifted the focus towards women consumers in India. Rise of the women consumers can be attributed to education and increase in number of women who have been joining the working population. The present paper focuses on the rise of the women consumers, reasons for the same and the various policies on the part of the companies to woo these new purchase deciders. The paper is based on secondary data sources and proposes to be a framework for future empirical study.

Introduction

The demographic fabric of India is changing. The changes are for the positive. The global changes seen in terms of urbanization, education, income and employment are also true to India. In all the euphoria on the positive growth of Indian demographic profile the rise of the women as a force to reckon is palpable. Women as consumers are steadily rising and their increased purchasing power is making them the deciders in purchase process. The statistical measures available from the government databases point to the fact that overall living standard of Indians is changing for the better. Earlier the role of women in the buying decision process was restricted to that of a user or influencer alone but rarely that of a decider. But the increased women workers have given some power to the women to be heard at home.

Literature Review

According to Kotler (2012) consumer behavior refers to the buying behavior of final consumers, which means individuals and households that makes personal consumption of goods and services. Consumer behavior is an ongoing process and includes study of where consumers buy it, when they buy it, what they buy, how often they buy it and particular why they buy it (Kotler, 2012). Consumers make many buying decisions every day and *why* they choose the ways they do are highly important for marketers to understand. If marketers know why consumers behave in a certain way to a certain product they can create profit for organizations and value for customers (Hawkins & Mothersbaugh, 2009). Hawkins and Mothersbaugh (2009) explain the same but define it in factors that have external and internal influences on the buying behavior. With the external factors includes *reference groups, family and roles and status* and the internal factors includes *motivation and beliefs and attitudes* (Hawkins & Mothersbaugh, 2009). A person belongs to many different groups, it can be family, organizations, clubs or online communities. According to Kotler (2012) the position a person has in these groups can be defined in terms of both role and status. With a role includes the activities people are expected to perform according to the people around them and each role in turns has a status that is reflecting the general esteem given to it by society. Reference group, family, roles and status, motivation, beliefs and attitudes are, as mentioned above, all factors that influence the consumer behavior, which then affects the outcome of the buying decision process. The buyer decision process is what consumers go through when they make decisions on what to buy. Although the stages differ when it comes to purchases that are strictly a routine, it is still important for marketers to understand the whole process behind consumers purchasing decisions (Kotler, 2012).

Need for recognition is when the consumers recognizes that they have a need or a problem, which can be affected by both internal and external factors, like hunger or looking at an advertisement. Then the *information research* starts, which is dependent on what kind of product the consumer wants to purchase and also if it's close at hand (Kotler, 2012). When searching for information it can be found from different sources like personal, commercial, public- and experiential sources, and the influence these sources has varies from the consumer and the product. Although a commercial source is the one that informs the buyer about the product, the most efficient source is the personal, due to its way to legitimize and evaluate a product. The *evaluation of alternatives* is the next step in the decision process and it involves the choice of product that has to be made, among different alternative brands.

Consumers process the information that they have received about the brands but it differs from buyer to buyer. Sometimes they make decisions according to their own opinions, but other times they advice their friends, salespeople or go online to look at reviews (Kotler, 2012). The fourth step is the *purchasedecision* where the buyer chose the product that they prefer the most, although two things can change the intention and the decision of the purchase. It is other peoples attitudes about the product, like yourfamily and friends, and also unexpected situations that can change the decisions process. This can for example be if the economy takes a turn and the price of the product, or the personal income changes.

When the product is bought the consumer will engage in a *post purchase behavior* which is for the consumers to decide whether they are satisfied or dissatisfied with the purchase. For the buyer to be satisfied it's important that the expectation on the product matches with the interpreted performance. Consumers that are satisfied is worth striving for because they will form a profitable relationship with the brand (Kotler, 2012).



Figure 1 Buying decision process

1. Statistical Indicators: The per-capita income of India has gone up to 11.7% in 2012-2013 compared to the previous fiscal year. It is at present at Rs 5,729 per month as compared to Rs 5,130 in the previous year. The data provided is from CSO (Central Statistics Office).

The contribution of women in the per-capita rise is also significant. In 2001 the work participation rate for women in rural areas was 30.79% as compared to 11.88% in the urban area. Rural women are mainly involved as cultivators and agricultural workers. In the urban India there are 80% of the women working in the unorganized sectors in industries, petty trades and ancillary services. The WPR for women in the urban India at the national level is seen as 21.9%. See Table 1 for the Labour Force Participation (LFPR) and work Force Participation (WFPR) during 2011-2012.

Table 1: LFPR (per 1000) according to usual status (ps), usual status (ps+ss), CWS and CDS for persons of all ages and of age 15-59

category of persons		all-India							
		age: all				age: 15-59			
		usual status (ps)	usual status (ps+ss)	CWS	CDS	usual status (ps)	usual status (ps+ss)	CWS	CDS
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	
rural	male	547	553	545	534	827	835	825	809
	female	181	253	215	180	271	378	321	269
	person	368	406	383	361	551	609	575	541
urban	male	560	563	561	555	806	810	807	799
	female	134	155	148	136	193	222	213	196
	person	356	367	363	354	510	527	521	509
rural +	male	550	556	549	540	820	827	819	806
	female	168	225	196	168	247	331	289	247
urban	person	364	395	377	359	539	583	558	531

Reference: State/UT tables S3, S4, S5, S6, S19, S20, S21 and S22.

Table 1 for the Labour Force Participation (LFPR) and work Force Participation (WFPR) during 2011-2012.

Table 2: WPR (per 1000) according to usual status (ps), usual status (ps+ss), CWS and CDS for persons of all ages and of age 15-59

category of persons		all-India							
		age: all				age: 15-59			
		usual status (ps)	usual status (ps+ss)	CWS	CDS	usual status (ps)	usual status (ps+ss)	CWS	CDS
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	
rural	male	535	543	526	504	808	820	796	762
	female	176	248	207	169	262	372	310	253
	person	359	399	370	340	538	598	555	510
urban	male	542	546	539	528	778	784	775	760
	female	125	147	138	125	179	210	198	180
	person	342	355	347	335	490	508	497	480
rural +	male	537	544	530	511	799	809	789	762
	female	161	219	188	156	237	323	276	231
urban	person	354	386	364	339	523	570	537	501

Reference: State/UT tables S7, S8, S9, S10, S23, S24, S25 and S26.

Table 2: WPR(per 1000) according to usual status (PS) , usual status (ps+ss)

Cues for the Marketer: From the above data there is sufficient cue for the marketer to promote and target the women consumers. Sociologists opine the women consumers are better targets and easy to convince because they are impulsive buyers and easily spread the word of mouth(WOM). Women by nature are emotional and therefore emotion based persuasive techniques work well with the female consumers. The urban women who is tech-savvy is targeted with the help of networking platforms (Facebook, Twitter, LinkedIn and Google+).

Many companies use the emotive appeal to woo the women target segment. The Dove uses images of “real women” instead of the classic, stick-thin model image that we have become accustomed to accepting as the icon of “beauty.” By using images which reach out to the majority of the female market, Dove is

able to connect to its potential female consumer on an emotional level.

Women also try experimenting with new ideas. Real information about product use is appreciated and adored by the women. Women consumers like to be treated respectfully and since they like to talk and spread the word very fast a bad experience with a women consumer for any company is likely to be spread to the public in no time. A female consumer will talk, offline and online, about the terrible problems that she had and this conversation could go on for weeks or months and even make a reappearance years later over any conversation.

Conclusion:

Women consumers therefore are going to rule the markets along with the youth in India. The consumption interests have got a boost due to increased liberation from the financial dependence on the better halves. This has given the required impetus to the flourishing market of women consumers. Adding to the changes in the social fabric there is a surge in the lifestyle products that has generally been an area of interest to the consumers. A look at the consumers in the global scenario and now in India we find a lot of similarities. The trend of satisfying the female consumers has now caught up in India. It is a happy trend for the marketers and the society at large.

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CELEBRITY ENDORSEMENT: A NEW OUTLOOK OF PROMOTION

Raj Kumar Mishra & Dr. Sushil Pande

Abstract

The instrument of celebrity endorsement has nowadays become a universal element in advertising and communication management. The celebrity endorser is a solution for all marketing miseries. It is today a frequently used approach in marketing for all brand building exercises. The celebrity appeal however needs to be perfectly blended intelligently and strategically to procure the benefits and make brands. It serves as an aid to accelerate brand recall, differentiate it from other similar offerings present in the market and influence the purchase. It not only serve as a boon but it can also be a nightmare unless accompanied by a powerful idea, effective and flawless positioning.

Introduction

Globally, the celebrity endorsement game has come a long way since the UK's Queen Victoria endorsed Cadbury's Cocoa in the 19th century. In India, though, the endorsement game is still in its infancy with a major boost coming in the last five years when it has become a favourite tool for Indian marketers. Celebrity endorsement has been established as one of the most popular tools of advertising in recent time. It has become a trend and perceived as a winning formula for product marketing and brand building. It is easy to choose a celebrity but it is tough to establish a strong association between the product and the endorser. An effective communication has two important “mantras” for the success of brand in today’s competitive marketing environment. Corporate are ensuring all possible efforts to promote their brands and to grab the customer’s mind share. The motive is on attracting the customer’s attention and developing positive associations not just to influence recall but also to induce trial and eventually effect the customers purchase decisions. In a market where advertising plays a vital role, an effective advertising campaign is must for coordinating consumer purchases, thus it becomes compulsory for the companies to make all possible efforts to influence motivate and inculcate the desire to purchase.

“Theory and practice proves that the use of superstars in advertising generates lot of publicity and attention”. (Ohanian, 1991).

In India celebrity power can rightly be assessed by their successful endorsements. Here, celebrities like film stars and cricketers have not only been successful in gathering huge public attention, but also in increasing sales.

Celebrity Endorsements carry huge amounts of money with them 45% of TV ads volume in 2009, 400 crores celebrity endorsements are figures enough to convey why a celebrity would be ready to sell a product, simply for the reason that he or she earns treasures of money endorsing it.

However, this does not mean that the entire foundation of a celebrity endorsement is a form of duplicity else, the brands of products would not exist for example- Kareena Kapoor endorsing Boro Plus, Salman Khan endorsing Wheel, Amitabh Bachchan endorsing Navratna Oil seem to be such ‘forms’.

According to the research by TAM Media, Adex India Analysis 2010 for the first half of 2010 Lists Kareena Kapoor as the leading female endorser possessing 45% of Bollywood’s most sought after. Whereas Mahendra Singh Dhoni is declared as the leading male endorser in the first half of 2010. Ahead of a difference of 8 ads from Shah rukh Khan and 3 ads from Sachin Tendulkar.

Mahendra Singh Dhoni's calling card used to include long hair, fast motorcycles and aggressive batting. Now? Well Dhoni is still "Captain Cool," but the signature has come to describe his ability to remain level-headed under pressure while leading his teams to incredible success. Mahi captained the Chennai Super Kings to two Indian Premier League (IPL) titles in 2010 and 2011, and in February of 2012 he led the Indian national team to its second ever Cricket World Cup championship. That success on the pitch helped turn Dhoni into India's biggest celebrity, and the fame has paid off: last year, Dhoni made an unprecedented \$26.5 million.

Only a small portion of that payout, about \$3.5 million, comes directly from Dhoni's on-field play. He has a Grade A national contract with the Board of Control for Cricket in India (BCCI) that pays a base salary of about \$200,000, though he also receives match fees and bonuses that boost his national pay well above \$500,000 each year. Dhoni is also among the IPL's highest paid players, earning about \$125,000 per game played.

According to Adex India Analysis, Bollywood celebrities accounted for 80% celebrity endorsement TV ad volumes in 2009. The billions of dollars spent on celebrity endorsement contracts show that celebrities like Shahrukh Khan, Salman Khan, Mahendra Singh Dhoni & Sachin Tendulkar play an important role in the advertising industry. In India advertisers pour crores of rupees every year into celebrity advertising. Think of Sachin Tendulkar—he means PEPSI in soft drinks, Boost in malted beverages, Fiat Palio in cars, TVS victor in two wheelers, Colgate Total in toothpaste, Britannia in Biscuits, Visa in credit cards, Airtel in mobile services and many more brands. The underlying question is if and how the lively interest of the public in "The rich and the famous" be effectively used by companies to promote their brands and consequently increase their revenues. (Schlecht, 2003)

OBJECTIVE OF STUDY

1. To analyze the concept of "celebrity endorsement" and understanding the different roles of celebrity
2. To study the effectiveness of celebrity endorsement among the middle class consumers.
3. To study the effectiveness of celebrity endorsement in Brand recall
4. To analyze the factors that affects the consumer's attitude in Quick brand recognition.

Who is a celebrity?

Using a celebrity for endorsing a brand has become a trend in India, but who is a celebrity "A celebrity is a person who is well recognized by the people and has a good reputation in the people's mind and in the society". A person who does not require any introduction, whose recognition is widespread and gets regular attention of media as well as people and always remain in headlines. Celebrity is assigned with major task to make customers aware about the product and services and form favorable image to buy that product.

So a celebrity is a person who grabs greater recognition of the common segment of the people and due to this uses this recognition in coming in various advertisements and letting customers knew about product (McCracken 1989) They are usually known among the segments of the people for their achievement in specialized areas which differs from the product or services endorsed by them (Friedman & Friedman 1979).

Celebrities are people who enjoy public recognition by a large share of a certain group of people and they have distinctive characteristics, such as attractiveness and trustworthiness (Silvera & Austad, 2004).

The term Celebrity refers to an individual who is known to the public (actor, sports figure, entertainer, etc.) for his or her achievements in areas other than that of the product class endorsed (Friedman and Friedman, 1979). This is true for classic forms of celebrities, like actors (e.g., Amitabh Bachchan, Shahrukh Khan, Rani Mukherjee Aamir Khan and Pierce Brosnan), models (e.g., Mallaika Arora, Lisa Ray, Aishwarya Rai, Naomi Campbell, Gisele Buendchen, etc.), sports figures (e.g., Sachin Tendulkar, Zaheer Khan, Sourav Ganguly, Anna Kournikova, Michael Schumacher, Steve Waugh, etc), entertainers (e.g., Cyrus Broacha, Oprah Winfrey, Conan O'Brien), and pop-stars (e.g., Madonna, David Bowie) but also for less obvious groups like businessmen (e.g., Donald Trump, Bill Gates, Ambanis & Birla's) or politicians. Celebrities appear in public in different ways. First, they appear in public when fulfilling their profession, e.g., Vishwanathan Anand, who plays chess in front of an audience. Furthermore, celebrities appear in public by attending special celebrity events, e.g., award ceremonies, inaugurations or world premieres of movies. In addition, they are present in news, fashion magazines, and tabloids, which provide second source information on events and the 'private life' of celebrities through mass media channels (e.g., Smriti Irani being regularly featured in various publications). Last but not least, celebrities act as spokes-people in advertising to promote products and services, which is referred to celebrity endorsement *European Journal of Social Sciences – Volume 29, Number 3(2012)*

In the end they are also human beings and they can have some negatives points, they can fail in their field. When this happens, the brand has to suffer because of the celebrity even though the product is the best in the market. It is to get instant brand acceptance and sometimes to compete with the competitor or sometimes as a routine. However, corporate must always keep in mind that the objective is to build the brand and not the celebrity. It is also important to note that just because an individual is famous and considered a celebrity he /she might not necessarily be an effective endorser. As said earlier celebrity endorsement is always a two-edged sword and it has a number of positivity's – if properly matched it can do wonders for the company and if not it may boomerang. A firm that decides to employ a celebrity to promote its products or services has a choice of using the celebrity as:

Testimonial: If the celebrity has personally used a product or service and is in a position to attest its quality, then he or she may give a testimonial citing its benefits. For instance Aishwarya Rai endorses L'Oréal shampoo by testifying the quality of the product as it forms a part of her consumption basket.

Endorsement: celebrities often lend their names to ads for product or services for which they may or may not be the experts For instance Sachin Tendulkar has been endorsing the Palio brand of Fiat.

Actor: A Celebrity may be asked to present a product or service as a part of character enactment rather than personal testimonial or endorsement. For instance Sweta Tiwari of "Perna fame" (Kasuti Zindagiki) enacts as a housewife for Nirma's ad campaign. It has nothing to do with her on screen or off-screen image In fact she just enacts the character and expectations of a normal housewife from a detergent bar.

Spokesperson: A celebrity who represents a brand or company over an extended period of time often in print and TV ads as well as in personal appearances is usually called a company's spokesperson. (Schiffman and Kanuk, 1997). The reason for using celebrities a spokesperson goes back to their huge potential influences. Compared to other endorsers, types, famous people achieve a higher degree of attention and recall. They increase awareness of a company's advertising create positive feelings towards brands and are perceived by consumers as more entertaining (Solomon, 2002) Using a celebrity in advertising is therefore likely to positively affect consumer's brand attitude and purchase intentions.

WHAT IS THE NEED OF CELEBRITY ENDORSEMENT

Marketing world works very harder to make products and brand popular and in synch with the though most of the marketer spends huge amount of money every year on endorsing a brand through a celebrity. The reason they think for favouring celebrity endorsement as their strength to act as best spokesperson for the products and making it a brand (Katyal 2007) Celebrity.

Why Endorsements?

Endorsement is viewed as a billion dollar industry in today's era. (Kambitsis et al, 2002). Various companies are signing deals with celebrities in the hope that by using celebrities they can accomplish a unique and relevant position in the minds of the consumers. Celebrity endorsement is increasingly being employed across various industries regardless of the product type. It is known to be playing the role of a signaling strategy. Reynolds (2000) also quoted for celebrity endorsement that it makes a brand to acts as touch of glamour. Celebrity endorsement is more likely to be observed for those products having a high price production cost margin and on a large customer base. In short, celebrity endorsements are more typical for nationally market products then for local or niche market products and for products such as running shoes, soft drinks and the like for which the price cost margins are apparently large.

LITERATURE REVIEW:

DR. SUSHIL KUMAR RAI*; ASHISH KUMAR SHARMA

Suggested that celebrity endorsement may not be as effective as many believe, and in some major western markets, has no strong influence on a consumer to make a purchase, according to a poll conducted by GMI Inc., the world's leading provider of global online market research services and software (Couzens and Ablett, 2005).

A paper titled "**The Emerging middle class in developing countries**" published by **Homi Kharas in Brookings** on June 20, 2011 has concluded that The world is in the throes of a major expansion in the middle class, particularly in emerging Asia. The global middle class is expected to grow from under 2 billion consumers today to nearly 5 billion within two decades.

Middle classes are an important key driver of growth, as the income elasticity for durable goods and services for middle class consumers is greater than one. China and India are at the forefront of the expansion of the global middle class. The world economy can be expected to increasingly rely on the middle classes of these two Asian powers as key sources of global demand.

Eric D. Bainhocker, Diana Farrell, Adil S. Zainulbhai through his research "**Tracking the growth of India's middle class**" published in *The McKinsey Quarterly*, 2007 Number 3 has predicted that Over the next two decades, the country's middle class will grow from about 5% of the population to more than 40% and create the world's fifth largest consumer market. A paper published by Dr. Bimal Anjum, Sukhwinder Kaur Dhanda, Sumeet Nagra in *Asia Pacific Journal of Marketing & Management Review* Vol.1 No. 2, October 2012, ISSN 2319-2836 with the title "**IMPACT OF CELEBRITY ENDORSED ADVERTISEMENTS ON CONSUMERS**" is study to know the impact of celebrity endorsed advertisements on consumers and on sales. This study is also an attempt to know the reasons of using the celebrities in advertisements.

Friedman, Termini and Washington(1977) Companies can still have effective advertisements if any type of endorser is used though; it was found that any endorser, celebrity or not, leads to "higher taste expectations, intent-to-purchase and believability than did the control advertisement which had no endorser". The article "**Effect of Celebrity Based Advertisements on the Purchase Attitude of Consumers towards Durable Products (A study with reference to the city of Chennai)**" by Lalitha Balakrishnan and C. Shalini Kumar published in *World Review of Business Research* Vol. 1. No. 2, Pp. 98

– 112 on May 2011 throws the light on the role of advertisement in changing the settled perception or thinking, which is otherwise called attitude of the consumer and also the consumption pattern of the society in general.

The dissertation prepared by the Ms. Rajni Surana in 2008 on “**The Effectiveness of celebrity endorsement in India**” as a part of MA degree in Marketing from University of Nottingham is another study that unveils the increasing demand of the celebrities being used for rendering services other than performing their actual job as either an actor or an athlete, despite the cost and the risks involved with this technique of advertising it is been used quite extensively in the present era.

LIMITATIONS OF THE STUDY

1. Due to paucity of time and costconstraint the study was confined to Lucknow city only.
2. The study has been conducted based on the responses of the selected respondents in Lucknow city. Hence the inferences, findings of the analysis need not hold good totally for Lucknow city as a whole or the country at large.
3. The study was limited to the 100 responses of consumers in Lucknow. More responses would have made an extensive study possible.
4. The study covered only select FMCG products.

RESEARCH METHODOLOGY

- Type of Research: Exploratory Research
- Type of Sample: Random sampling
- Respondents: With an intention to fulfill objectives, the data was collected, tabulated and analyzed. To analyze the opinion and reaction towards the Effectiveness of celebrity endorsement in Brand Recall and Brand Recognition the general public were selected.
- Sample size: 100
- Data collection method:
- Primary Method: Structured questionnaire
- Secondary Method: Journals and magazines
- Percentage Analysis

DATA ANALYSIS AND INTERPRETATIONS

Primary Data

Table 1		
TABLE SHOWING THE GENDER DETAILS OF THE RESPONDENTS		
Gender	Respondents	Percentage
Male	60	60%
Female	40	40%
Total	100	100%

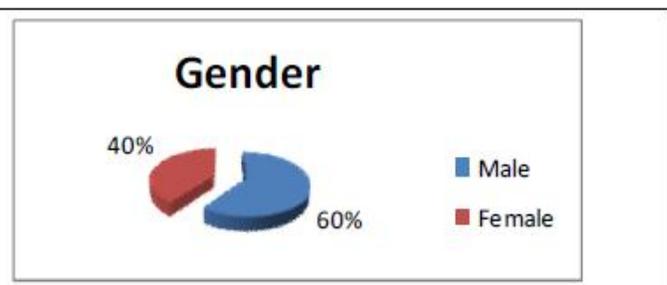


Table 2

TABLE SHOWING THE AGE DETAILS OF THE RESPONDENTS

Age	Age of Respondents	Percentage
21-30	38	38%
31-40	33	33%
41-50	29	29%
Total	100	100%

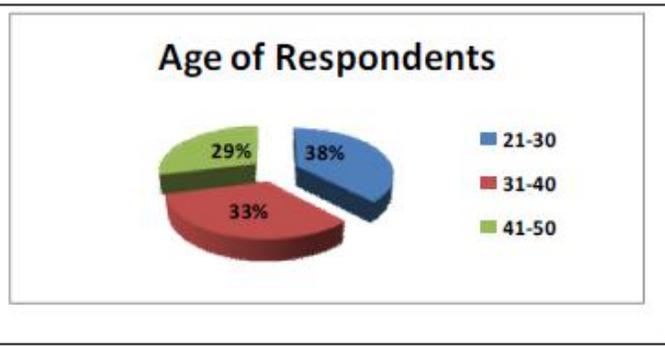


Table 3

TABLE SHOWING THE INCOME DETAILS OF THE RESPONDENTS

Income(P.A)	Respondents Incomes	Percentage
2Lac-4Lac	38	38%
4Lac-6Lac	33	33%
6Lac-8Lac	29	29%
Total	100	100%

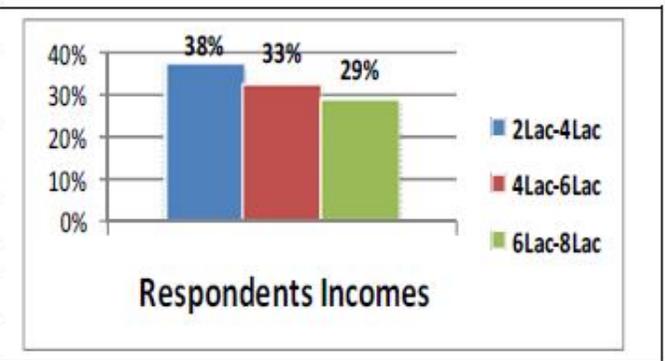


Table 4

TABLE SHOWING THE INCOME DETAILS OF THE RESPONDENTS

Education Qualification	Respondents Education	Percentage
Diploma	27	27%
Graduation	40	40%
Post Graduation	33	33%
Total	100	100%

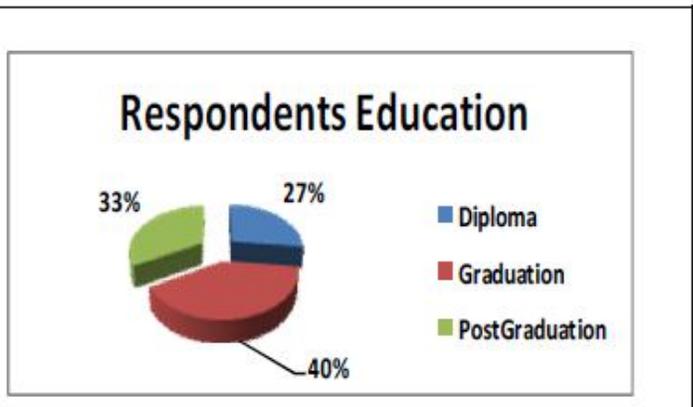


Table 5

THE IMPACT OF CELEBRITY ENDORSED ADVERTISEMENT IN BRAND RECOGNITION

ITEMS	STRONGLY AGREE	AGREE	NEUTRAL	DISAGREE	STRONGLY DISAGREE
Celebrity endorsement affect the purchase decisions	2%	22%	16%	53%	7%
Truth is been presented by the celebrity endorsers	0%	9%	13%	60%	18%
Celebrity endorsed advertisement creates better brand recognition	63%	22%	4%	8%	3%
Celebrity based advertisements enhances the buyer's belief	13%	30%	8%	36%	13%

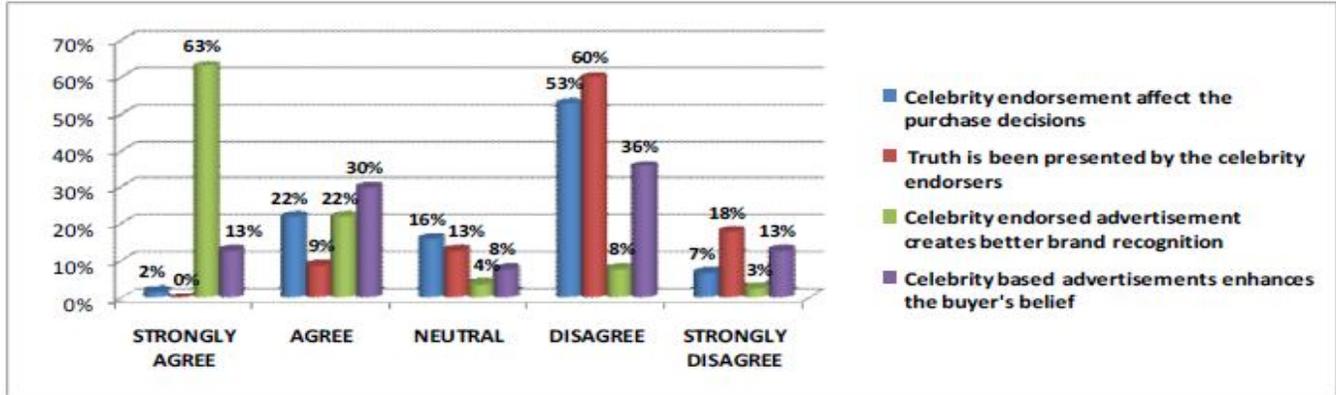


Table 6

THE OVERALL EFFECTIVENESS OF CELEBRITY ENDORSED ADVERTISEMENT AMONG THE CONSUMERS

ITEMS	STRONGLY AGREE	AGREE	NEUTRAL	DISAGREE	STRONGLY DISAGREE
Customer likes there favourite celebrity presence in advertisement	21%	34%	13%	18%	14%
Overall advertisement helps in increasing brand awareness	45%	31%	2%	15%	7%
Celebrity endorsement helps in creating awareness about FMCG	42%	30%	4%	18%	6%

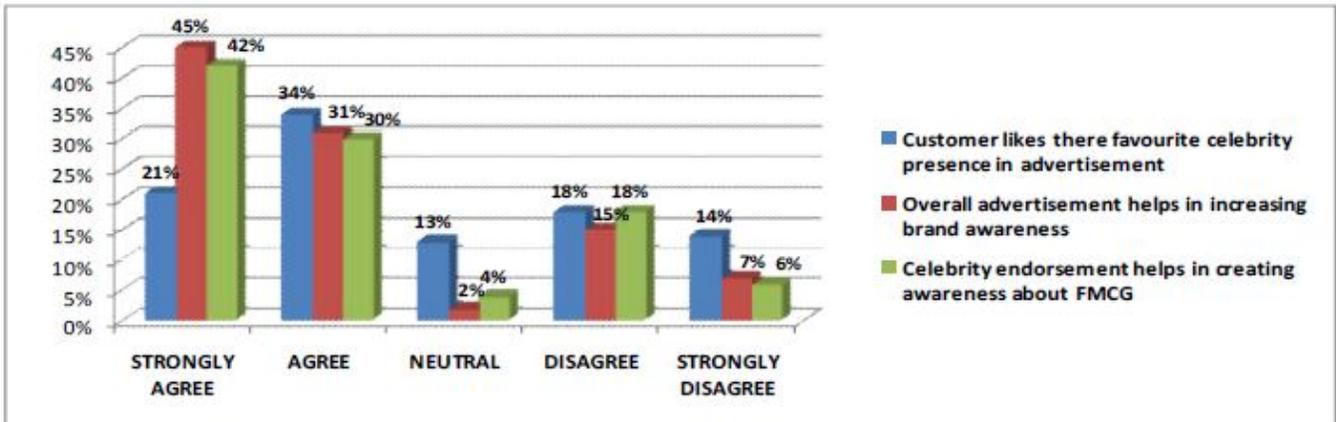
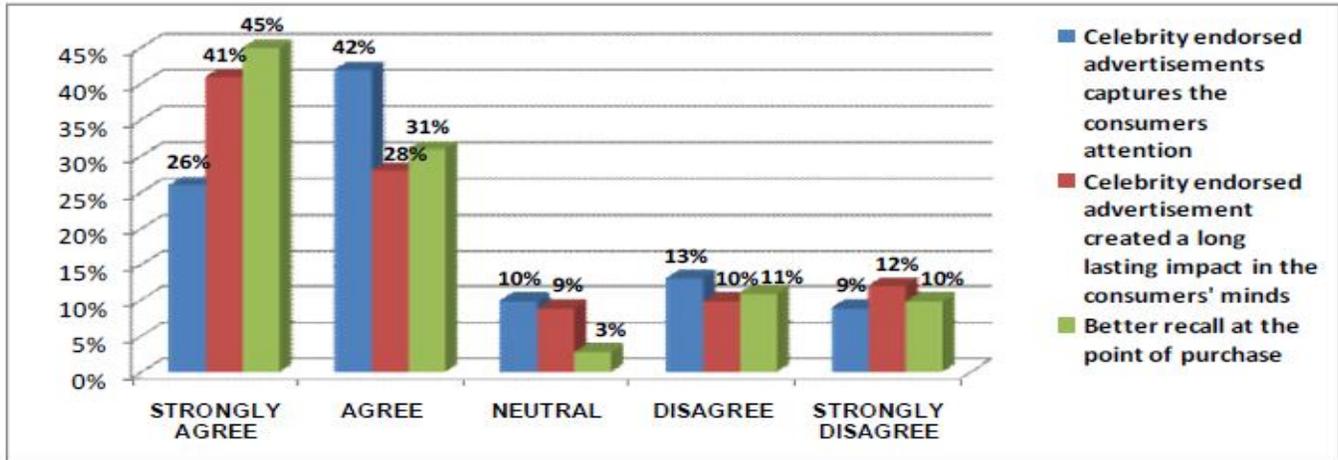


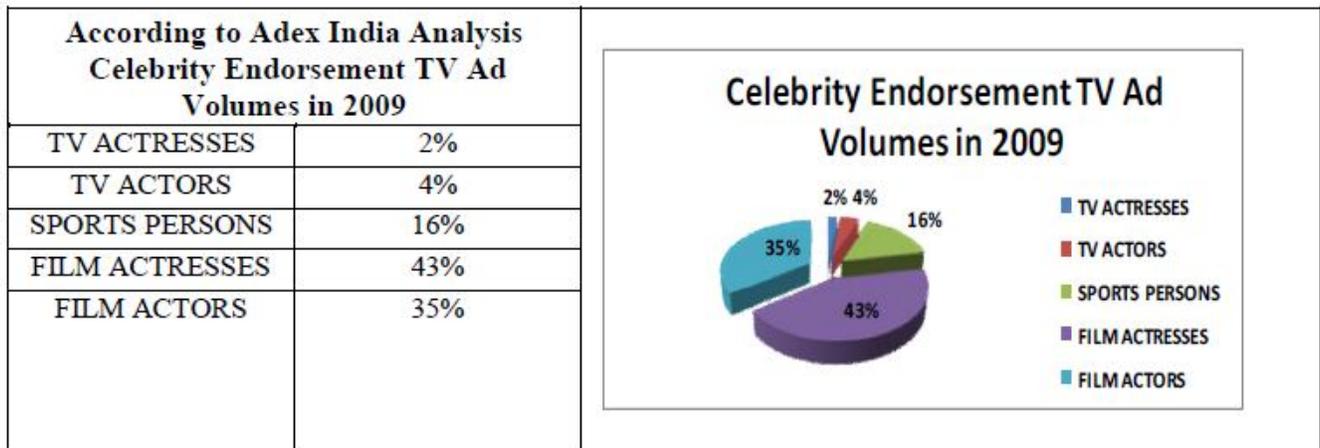
Table 7

THE FACTORS THAT AFFECT THE CONSUMER'S ATTITUDE TOWARDS CELEBRITY ENDORSED ADVERTISEMENTS IN BRAND RECALL

ITEMS	STRONGLY AGREE	AGREE	NEUTRAL	DISAGREE	STRONGLY DISAGREE
Celebrity endorsed advertisements captures the consumers attention	26%	42%	10%	13%	9%
Celebrity endorsed advertisement created a long lasting impact in the consumers' minds	41%	28%	9%	10%	12%
Better recall at the point of purchase	45%	31%	3%	11%	10%



Secondary Data



□ Celebrities of Bollywood has the highest share i.e. 78% of overall Celebrity endorsements on TV, followed by the Sportspersons and TV personalities with 16% and 6% share respectively.

□ 'Film Actress' leads with 43% share of Celebrity endorsement ad volumes on TV followed by the 'Film Actors' and 'Sports' personalities with 35% and 16% share respectively during Jan-Jun '09.

According to an IPAN-IMRB Research (2008),	
Remember Celebrity Ads	86%
Feel Celebrities Effect Buying Decision	3%
Believe Quality and Price is the Input Factor	84%
Consider Celebrity Importance	2%
Believe Stars Endorse Brand for Money	5%
Believe Celebrities use Products they Endorse	22%

FINDINGS OF THE STUDY

Celebrity endorsement enhances product information and creates awareness among consumers. It helps them to recall the brands of the FMCG's at the time of purchase. The purchase attitude change of consumers is influenced by the celebrity endorsement factors, like better brand recognition more weight age, truth in testimonials, and satisfied feel.

CONCLUSION

It is concluded that Celebrity endorsement definitely create an impact in the purchase attitude of consumers. In spite of the economic advantage of using relatively unknown personalities as endorsers in advertising campaigns, the choice of celebrities to perform that role has become universal practice for brands competing in today's cluttered media environment. There are several reasons for such extensive use of celebrities. Because of their high profile, celebrities may help advertisements stand out from the surrounding clutter, thus improving their communicative ability. Celebrity endorsement if used effectively, makes the brand stand out, galvanize brand recall and facilitates immediate awareness. To achieve this, the marketer needs to be really disciplined in choice of a celebrity.

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**“THE RELATION BETWEEN LABOR WELFARE & QUALITY OF WORK LIFE” PROVIDED
BY GODREJ CONSUMER PRODUCT LIMITED (GCPL), MALANPUR, GWALIOR (MP)**

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Abstract

Employee welfare “the efforts to make life worth living for workmen”. Welfare includes anything that is done for the comfort and improvement of employees and is provided over and above the wages. Quality of Work Life, which will now on termed as QWL means having good working conditions, good wages, benefits, work life balance and job content etc. This paper emphasizes that there lies a strong positive relationship between Labor welfare facilities and QWL provided by GCPL .Godrej Empire is one of India’s most trusted brands and is used by over 400 million Indians every single day. GCPL Malanpur location has been manufacturing base for significant production. The sample for study has been taken from GCPL Malanpur to identify the relationship between Labor welfare facilities and QWL.

Key Words: Labor Welfare, QWL, Social Factors, Economic Factors, Job Content

Introduction:

The term employee welfare means the efforts to make life worth living for workmen. It includes various services, facilities and benefits offered to employees by the employers, unions and government. The purpose is to improve the living standard of workers and thereby improve the quality of work life. Employers voluntarily extend a number of benefits to employees in the hope that these indirect compensation plans motivate employees to perform better. Over the years the types of benefits offered have been expanding in line with competitive pressures, changing job market trends, employees’ expectations, union demands and legislative requirements.

QWL efforts are systematic efforts by organizations to give workers a greater opportunity to affect the way they do their jobs and the contributions they make to the organization’s overall effectiveness. It is a way of empowering employees by giving them a greater say in the decision making process. QWL means having good working conditions, good wages, benefits, good leadership and interesting challenging jobs. The welfare measures involve Statutory and non statutory facilities which refers to the physical, mental, moral, and emotional well-being of an individual (Aswathappa; 2004). The QWL provides the basis for the person to enjoy their working. The welfare measures and QWL aims to integrate the socio-psychological needs of employees, the unique requirements of a particular technology, the structure and processes of the organization and the existing socio-cultural environment. It creates a culture of work commitment in organizations and society which ensure higher productivity and greater job satisfaction to the employees.

Review Literature:

Robbins (2001) asserts that promotions create the opportunity for personal growth, increased levels of responsibility and an increase on social standing. Report of National Commission on Labour (2002), Government of India, made recommendations in the area of labour welfare measures which includes social security, extending the application of the Provident Fund, gratuity and unemployment insurance

etc. Shobha Mishra & Manju Bhagat, in their “Principles for Successful Implementation of Labour Welfare Activities”, sated that labour absenteeism in Indian industries can be reduced to a great extent by providing good housing, health and family care,canteen, educational and training facilities and provision of welfare activities. Bull (2005) posits a view that when employees experience success in mentally challenging occupations which allows them to exercise their skills and abilities, they experience greater levels of job satisfaction. Incentives, rewards and recognition are the key parameters of today’s motivation programs according to most of the organizations as these bind the success factor with the employees’ performance. **P.K Padhi (2007)** The term welfare suggests the state of well being and implies wholesomeness of the human being. It is a desirable state of existence involving the mental, physical, moral and emotional factor of a person. Adequate levels of earnings, safe and humane conditions of work and Access to some minimum social security benefits are the major qualitative dimensions of employment which enhance quality of life of workers and their productivity.

Objective of the Study:

- To study the various aspects of quality of work life of employees at GCPL Malanpur.
- To measure the welfare facility provided in GCPL Malanpur.
- To study relation between welfare facilities & QWL provided at GCPL Malanpur.

Research Methodology

This study describes the relationship between Welfare Facilities and measures of Quality of Work life (QWL) to employees in GCPL Malanpur, Gwalior. Here the descriptive research was conducted to find out the information about the factors of Welfare facilities and QWL to spotlight the areas that need the management’s attention. The survey was conducted randomly of 100 employees based on our Convenience and Judgment technique. The questionnaire method was used to collect the primary data which consist of five-point Likert scale i.e. Strongly Agree, agree, Neutral, Disagree, strongly Disagree and the tools used were Bar Diagram to present the data and Pearson’s Correlation Coefficient to define the strong relationship between Welfare Measures & QWL factors.

Data Analysis and Interpretation

On the basis of data collected we got the following outcome. Data chart of welfare provisions and Quality of work life is given below

Fig 1

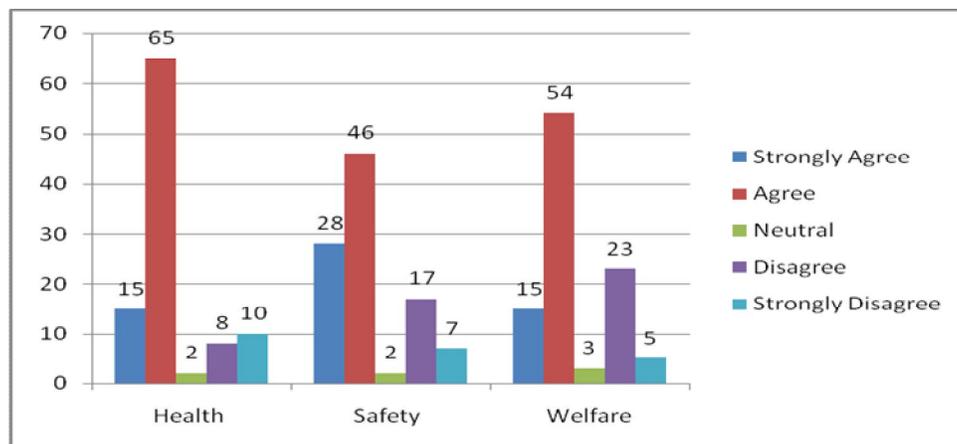
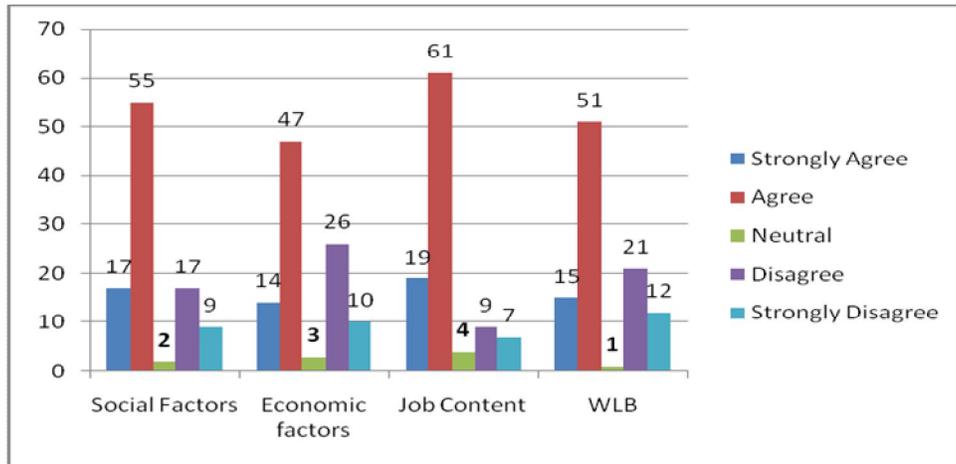


Fig 2



Hypothesis Testing: For identifying relation between the Welfare provisions & Quality of work life factors, by applying Correlation Analysis for each welfare provisions.

For Social factors

Related to Health Facilities

H0: There is no strong relation between social Factors and Health facilities

H1: There is strong relation between social Factors and Health facilities

Table 1

Factor	Social factors	Health Facilities
Strongly agree	17	15
Agree	55	65
Neutral	2	2
Disagree	17	8
Strongly Disagree	9	10

Factor	Social factors (X)	Health Facilities (Y)
Social factors	1	0.98
Health Factors	0.98	1

Interpretation: The value of R is 0.98., which means that high X variable scores go with high Y variable scores (and vice versa). Thus the null hypothesis gets rejected and it is proved that there is a strong positive correlation between Social factors and Health facilities.

Safety Provisions

H0: There is no strong relation between Social Factors and Safety Provisions

H1: There is strong relation between Social Factors and Safety Provisions

Table 2

Factors	Social factors	Safety Provisions
Strongly agree	17	28
Agree	55	46
Neutral	2	2
Disagree	17	17
Strongly Disagree	9	7

	Social factors (X)	Safety Provisions (Y)
Social factors	1	0.94
Safety Factors	0.94	1

Interpretation: The value of R is 0.94, which means that high X variable scores go with high Y variable scores (and vice versa). Thus the null hypothesis gets rejected and it is proved that there is a strong positive correlation between Social factors and Safety provisions.

Welfare Facilities

H0: There is no strong relation between Social Factors and Welfare facilities

H1: There is strong relation between Social Factors and Welfare facilities

Table 3

	Social factors	Welfare Facilities
Strongly agree	17	28
Agree	55	46
Neutral	2	2
Disagree	17	17
Strongly Disagree	9	7

	Social factors (X)	Welfare facilities (Y)
Social factors	1	0.98
Safety Factors	0.98	1

Interpretation: The value of R is 0.98, which means that high X variable scores go with high Y variable scores (and vice versa). Thus the null hypothesis gets rejected and it is proved that there is a strong positive correlation between Social factors and Welfare facilities.

For Economic Factors

Health facilities

H0: There is no strong relation between Economic Factors and Health facilities

H1: There is strong relation between Economic Factors and Health facilities

Table 4

	Economic factors	Health Facilities
Strongly agree	14	15
Agree	47	65
Neutral	3	2
Disagree	26	8
Strongly Disagree	10	10

	Economic factors	Health facilities
Economic factors	1	0.89
Health	0.89	1

Interpretation: The value of R is 0.89, which means that high X variable scores go with high Y variable scores (and vice versa). Thus the null hypothesis gets rejected and it is proved that there is a strong positive correlation between Economic factors and Health facilities.

Safety Provisions

H0: There is no strong relation between Economic Factors and Safety provisions

H1: There is strong relation between Economic Factors and Safety provisions

Table 5

	Economic factors (X)	Safety provisions (Y)
Strongly agree	14	28
Agree	47	46
Neutral	3	2
Disagree	26	17
Strongly Disagree	10	7

	Economic factors	Safety provisions
Economic factors	1	0.88
Safety Factors	0.88	1

Interpretation: The value of R is 0.88, which means that high X variable scores go with high Y variable scores (and vice versa). Thus the null hypothesis gets rejected and it is proved that there is a strong positive correlation between Economic factors and Safety provisions.

Welfare Facilities

H0: There is no strong relation between Economic Factors and Welfare facilities

H1: There is strong relation between Economic Factors and Welfare facilities

Table 6

	Economic factors	Welfare Facilities
Strongly agree	14	15
Agree	47	54
Neutral	3	3
Disagree	26	23
Strongly Disagree	10	5

	Economic factors (X)	Welfare Facilities (Y)
Economic factors	1	0.98
Welfare Factors	0.98	1

Interpretation: The value of R is 0.98, which means that high X variable scores go with high Y variable scores (and vice versa). Thus the null hypothesis gets rejected and it is proved that there is a strong positive correlation between Economic factors and Welfare facilities.

For Job Content Factors

Health facilities

H0: There is no strong relation between Job Content Factors and Health facilities

H1: There is strong relation between Job Content Factors and Health facilities

Table 7

	Job Content factors	Health Facilities
Strongly agree	19	15
Agree	61	65
Neutral	4	2
Disagree	9	8
Strongly Disagree	7	10

	Job Content factors (X)	Health Facilities (Y)
Job factors	1	0.99
Health	0.99	1

Interpretation: The value of R is 0.99, which means that high X variable scores go with high Y variable scores (and vice versa). Thus the null hypothesis gets rejected and it is proved that there is a strong positive correlation between Job Content factors and Health facilities

Safety Provisions

H0: There is no strong relation between Job Content Factors and Safety Provisions

H1: There is strong relation between Job Content Factors and Safety Provisions

Table 8

	Job Content factors	Safety Provisions
Strongly agree	19	28
Agree	61	46
Neutral	4	2
Disagree	9	17
Strongly Disagree	7	7

	Job Content factors (X)	Safety provisions (Y)
Job factors	1	0.93
Safety	0.93	1

Interpretation: The value of R is 0.93, which means that high X variable scores go with high Y variable scores (and vice versa). Thus the null hypothesis gets rejected and it is proved that there is a strong positive correlation between Job Content factors and Safety provisions

Welfare Facilities

H0: There is no strong relation between Job Content Factors and Welfare Provisions

H1: There is strong relation between Job Content Factors and Welfare Provisions

Table 9

	Job Content factors	Welfare Facilities
Strongly agree	19	15
Agree	61	54
Neutral	4	3
Disagree	9	23
Strongly Disagree	7	5

	Job Content factors (X)	Welfare Facilities (Y)
Job factors	1	0.94
Welfare	0.94	1

Interpretation: The value of R is 0.94, which means that high X variable scores go with high Y variable scores (and vice versa). Thus the null hypothesis gets rejected and it is proved that there is a strong positive correlation between Job Content factors and Welfare facilities.

For Work Life Balance (WLB) Factors

For Health Factors

H0: There is no strong relation between WLB and Health Facilities

H1: There is strong relation between WLB and Health Facilities

Table 10

	WLB factors	Health Facilities
Strongly agree	15	15
Agree	51	65
Neutral	1	2
Disagree	21	8
Strongly Disagree	12	10

	WLB factors	Health Facilities
WLB factors	1	0.95
Health	0.95	1

Interpretation: The value of R is 0.95, which means that high X variable scores go with high Y variable scores (and vice versa). Thus the null hypothesis gets rejected and it is proved that there is a strong positive correlation between WLB factors and Health Facilities

For Safety Provisions

H0: There is no strong relation between WLB and Safety Provisions

H1: There is strong relation between WLB and Safety Provisions

Table 11

	WLB factors	Safety Provisions
Strongly agree	15	28
Agree	51	46
Neutral	1	2
Disagree	21	17
Strongly Disagree	12	7

	WLB factors (X)	Safety Provisions (Y)
WLB factors	1	0.91
Safety	0.91	1

Interpretation: The value of R is 0.91, which means that high X variable scores go with high Y variable scores (and vice versa). Thus the null hypothesis gets rejected and it is proved that there is a strong positive correlation between WLB factors and Safety Provisions

For Welfare Facilities

H0: There is no strong relation between WLB and Welfare Facilities

H1: There is strong relation between WLB and Welfare Provisions

Table 12

	WLB factors	Welfare Facilities
Strongly agree	15	15
Agree	51	54
Neutral	1	3
Disagree	21	23
Strongly Disagree	12	5

	WLB factors (X)	Welfare Facilities (Y)
WLB factors	1	0.98
Welfare	0.98	1

Interpretation: The value of R is 0.98, which means that high X variable scores go with high Y variable scores (and vice versa). Thus the null hypothesis gets rejected and it is proved that there is a strong positive correlation between WLB factors and Welfare Facilities.

Scope of Future study:

The study can be used to further analyze the welfare provision and its impact on QWL. It may include various other statutory and non-statutory welfare measures and its impact on QWL. It can also be taken into the workplace aspect of quality of work life to identify the relevance of personality factors and psychological needs of employees with reference to analyze the job satisfaction and performance level of employees to improve the productivity of organization.

Conclusion:

Organization and employees should develop and progress simultaneously for their survival and attainment of mutual goals. A modern day organization has to develop human resources by providing welfare schemes to them in an effective manner to achieve mutual goals like productivity and QWL, where productivity is for the organization and QWL is for employees respectively. Thus for the proper functioning of an organization, the employer has to ensure proper provision of welfare measures. The role of HR manager is in the areas of coordinating welfare activities, making employees aware about the activities; analyzing employee's needs for the same and providing it accordingly. The supervisors, managers and departmental heads are responsible for maintaining proper workplace welfare activities; this makes effective working conditions that act as a driving force for QWL and consequently higher productivity.

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