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G. H. Patel Postgraduate Institute of Business Management

SARDAR PATEL UNIVERSITY

NAAC Re-accredited with Grade 'A' (CGPA:3.25) (23-1-2017 to 22-1-2022)

VALLABH VIDYANAGAR - 388 120

GUJARAT, INDIA

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Editorial

The business in India is getting increasingly linked with global economy since economic liberalization. Business activity is increasingly becoming more challenging due to dynamic environment and more number of variables affecting the same. This has further given impetus to quality research in order to improve decision making.

The present issue of 'Synergy' Volume 19 No. 1 & 2 consists of research papers on varied topics related to management. It is our constant endeavor to give opportunity to researchers to publish in different areas of management. This volume covers research papers on issues across functional areas of Management including General Management, Rural Marketing, Consumer Behaviour, Brand Management, Finance, Human Resources, etc.

In all seventeen blind peer reviewed papers have been included focusing on topics such as infrastructure management, financial inclusion, human development, monetary policy, organization performance, customer satisfaction, importance of alumni association, Ayurveda, entrepreneurship, mobile phone addiction, social media, work environment, human resource in organized retail, banking, shareholder's value and a case study on Jio.

On behalf of our editorial team, we sincerely thank all the contributors and look forward to their continued support in sharing of facts, opinions and views in the form of research papers in forthcoming issues as well.

We humbly invite your views and suggestions to strengthen our efforts in making further improvements in publication of "Synergy".

(Dr. Yogesh C. Joshil)

Director

Foreword

The Post Graduate Department of Business Management (MBA Programme) is a constituent department of Sardar Patel University (NAAC Accredited Grade A with 3.25 CGPA) is offering management programme since 1989. It is one of the leading management institutes in Gujarat state.

The University Grants Commission, New Delhi, in recognition of the quality of research in the department had elevated its status for award of special assistance under DRS - II for "Consumer Research in Rural Areas", which was completed successfully in March 2016. The department has also received SAP DRS III (2016 to 2021) for undertaking research on "Transformation of Rural Economy" for five years. The department has completed a project on "Knowledge, Attitude and Perception of Voters in Gujarat commissioned by Election Commission of India, besides completing many such research studies. All through its journey of providing management education, it has exemplary record in terms of quality education, research and placements.

The department has been contributing to research activities continuously. All the faculty members are actively involved in research publications. It also organises national level seminar every year on varied topics relevant to current scenario to promote research in Management. All the ten faculty members are recognized Ph.D. Guides. More than 100 students have successfully completed their Ph.D. degree from department and sixty are pursuing their doctoral research work.

This research journal provides a platform for regular interaction and exchange of views, opinions and research findings among peer groups. I am confident that this issue of "Synergy", Journal of Management, Sardar Patel University, provides for a great deal of information sharing among teachers and research scholars belonging to the discipline.

I congratulate the editors for bringing out yet another volume of Synergy and appreciate the painstaking task undertaken by them.

Date : 18th Jan, 2018
Sardar Patel University
Vallabh Vidyanagar

Dr. Shirish kulkarni
Vice-Chancellor

Stock Index Futures Returns, Stock Prices and Monetary Policy

Surendra Sundararajan*

Abstract

This paper investigates the reaction of stock index futures based on the Standard & Poor's 500 Index on days of changes in the federal funds rate (FFR) target during the period 1990-2001. This is done by building a multivariate regression model in which percentage changes in the futures contracts constitute the dependent variable and percentage changes in the FFR target and in the underlying stock price index are the two independent variables. The model satisfactorily explains the changes in the contracts. Further, the percentage changes in the near and distant contracts on days of changes in the FFR target are also evaluated. The average price change in near contracts on days of rate cuts turns out to be significantly higher than the same for distant contracts. The results have implications for trading strategies as well as for monetary policy.

Key words: Stock Index Futures, Monetary Policy, Asset Pricing

Introduction

In a commentary in the letter, Inside Futures, Alan Bush of Archer Financial Services wrote about an anticipated hike in the federal funds rate target, as follows: "Will rising interest rates end this historical bull market in stock index futures? - Absolutely not! Many analysts and traders believe that the recent rise in interest rates is a new major bearish fundamental. Contrary to popular belief, rising interest rates are not always bearish, especially in the early stages of an economic recovery. Currently, the trend towards a rising interest rate structure is actually a net positive because it is a reflection of an improving economy and anticipation of greater demand for loans in the future." Pursuing the line of reasoning, he ventured the following prediction: "When the Federal Reserve does raise interest rates, we will probably see the stock index futures market initially fall on the tightening move, following by a new leg up to another high for the move."

Apparently, there is considerable interest in how prices of stock index futures (SIF) react to changes in the federal funds rate (FFR) target. Prices of SIF are, in theory, positively related to interest rates and to the underlying stock index. A rise in carrying costs, other things remaining unchanged, should cause SIF to go up. However, theory also suggests that a rise in interest rates should cause stock prices to decline as stocks become relatively less attractive. Therefore, the stronger of the two effects will determine the net impact on SIF. Studies such as Bernanke and Kuttner [2005] have focused on the relationship between the FFR target and stock prices, while those of Modest and Sundaresan [1983], Finnerty and Park [1987], Kawaller, Koch and Koch [1987] and Kutner and Sweeney [1991] have examined the

relationship between the S&P 500 cash and futures markets.

I. Research Objectives

This paper investigates the effects of changes in the FFR target and in stock prices on SIF that is, near contracts (NC) and distant contracts (DC) in two ways:

1. By building a multivariate regression model in which percentage changes in the contracts are the dependent variable and percentage changes in the FFR target and in the underlying stock price index are the two independent variables. Whether or not there is a difference in the significance of the relationship for decreases in the funds target rate as opposed to increases is also probed.
2. By evaluating the percentage changes in SIF, NC and DC, on days of changes in the FFR target.

II. Data and Methodology

The event study methodology is used for the first research objective. It is an extension of the simple linear regression used by Thorbecke and Alami [1994] to relate the changes in stock prices and in the FFR target. Accordingly, changes in the SIF are regressed on changes in the FFR target and in stock prices. The regression equation takes the following form:

$$\%SIF_t = a + b_1\%(FF_t) + b_2\%P_t$$

where, $\%SIF_t$ is the percentage change in the SIF bracketing the FFR target change, $\%(FF_t)$ is the percentage change in the FFR target effected by the Federal Reserve and $\%P_t$ is the percentage change in the closing prices of the Standard & Poor's (S&P) 500 Index bracketing the

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FFR target change. The SIF price data are percentage changes in the closing prices of NC and DC, based on the S&P 500 Index. The period involved is from July 13, 1990 to December 11, 2001. Lamdin [2001] favors the use of a one-day event when one can confidently place the event on a certain day or two. Further, the advantage with a narrow window is that it will reduce extraneous market noise. No distinction is made between surprise and expected changes in the FFR target and the implicit assumption is that the changes were effected before the close of trading hours on the respective days. The futures data were obtained from The Wall Street Journal. The data on the FFR target changes were obtained from the Federal Funds website, www.federalreserve.gov/fomc/fundrate.htm.

Any concern about multicollinearity between the two independent variables can be set at rest since a previous study, using the same data for changes in the FFR target and stock prices as in this paper, found the relationship between changes in the FFR target and stock prices on the day of the change in the FFR target to be statistically insignificant (Howat and Sundararajan [2009]).

For the second research question, the average percentage changes in NC and DC on days of changes in the FFR target were computed and subjected to statistical testing.

A total of 49 rate changes were effected in the period covered by this study. One of these was on September 17th, 2001 and was not considered in the analysis because it happened on the first day that the stock market opened following the terrorist attack of September 11. Thus, the computations correspond to 48 target rate changes, 34 decreases and 14 increases. The percentages were computed for both rate increases and decreases taken together and for the increases and decreases separately.

Table 1 presents the changes in the FFR target, S&P 500 Index and S&P 500 index futures for both NC and DC.

Table 1 : Changes in the Federal Funds Rate, Stock Prices and Stock Index Futures Prices

This table presents 48 changes in the FFR target in terms of basis points effected on specified dates during the period from July 13, 1990 to December 11, 2001 and expresses the same in percentage terms together with percentage changes in the S&P 500 Index as well as in the related futures contracts that is both near and distant ones, bracketing the changes in the FFR target.

| Date | Rate ch. | New rate | % FFR ch. | % S&P ch. | NC(t) | NC(t-1) | %ch. t/t-1 | DC(t) | DC(t-1) | %ch. t/t-1 |
|------------|----------|----------|-----------|-----------|--------|---------|------------|--------|---------|------------|
| 12/11/2001 | -25 | 1.75 | -12.5 | -0.28 | 113650 | 113930 | -0.24576 | 113770 | 114070 | -0.263 |
| 11/6/2001 | -50 | 2 | -20 | 1.45 | 112100 | 110370 | 1.567455 | 112240 | 110530 | 1.547091 |
| 10/2/2001 | -50 | 2.5 | -16.6667 | 1.23 | 105550 | 104330 | 1.169366 | 105780 | 104550 | 1.176471 |
| 8/21/2001 | -25 | 3.5 | -6.66667 | -1.21 | 115630 | 117570 | -1.65008 | 116280 | 118250 | -1.66596 |
| 6/27/2001 | -25 | 3.75 | -6.25 | -0.47 | 121900 | 122060 | -0.13108 | 122700 | 122850 | -0.1221 |
| 5/15/2001 | -50 | 4 | -11.1111 | 0.04 | 125750 | 125200 | 0.439297 | 126760 | 126230 | 0.419868 |
| 4/18/2001 | -50 | 4.5 | -10 | 3.89 | 124620 | 119550 | 4.240903 | 125730 | 120670 | 4.193254 |
| 3/20/2001 | -50 | 5 | -9.09091 | -2.41 | 115250 | 118050 | -2.37188 | 116360 | 119200 | -2.38255 |
| 1/31/2001 | -50 | 5.5 | -8.33333 | -0.56 | 137290 | 138200 | -0.65847 | 138830 | 139750 | -0.65832 |
| 1/3/2001 | -50 | 6 | -7.69231 | 5.01 | 135920 | 129980 | 4.569934 | 137620 | 131660 | 4.526811 |
| 5/16/2000 | 50 | 6.5 | 8.333333 | 0.94 | 147170 | 145770 | 0.960417 | 149340 | 147920 | 0.959978 |
| 3/21/2000 | 25 | 6 | 4.347826 | 2.56 | 150750 | 147810 | 1.98904 | 152810 | 149850 | 1.975309 |
| 2/2/2000 | 25 | 5.75 | 4.545455 | -0.01 | 141550 | 141680 | -0.09176 | 143410 | 143530 | -0.08361 |
| 11/16/1999 | 25 | 5.5 | 4.761905 | 1.82 | 143100 | 140300 | 1.995723 | 144850 | 142010 | 1.999859 |
| 8/24/1999 | 25 | 5.25 | 5 | 0.24 | 137050 | 136620 | 0.314742 | 138590 | 138160 | 0.311233 |
| 6/30/1999 | 25 | 5 | 5.263158 | 1.57 | 138170 | 135670 | 1.842707 | 139700 | 137190 | 1.829579 |
| 11/17/1998 | -25 | 4.75 | -5 | 0.3 | 114350 | 114230 | 0.105051 | 115450 | 115350 | 0.086693 |
| 10/15/1998 | -25 | 5 | -4.7619 | 4.17 | 106400 | 101080 | 5.263158 | 107310 | 101960 | 5.247156 |
| 9/29/1998 | -25 | 5.25 | -4.54545 | 0.03 | 105750 | 106320 | -0.53612 | 106700 | 107300 | -0.55918 |
| 3/25/1997 | 25 | 5.5 | 4.761905 | -0.23 | 79520 | 80125 | -0.75507 | 80320 | 80930 | -0.75374 |
| 1/31/1996 | -25 | 5.25 | -4.54545 | 0.93 | 63795 | 63195 | 0.949442 | 64350 | 63755 | 0.93326 |
| 12/19/1995 | -25 | 5.5 | -4.34783 | 0.84 | 61785 | 61160 | 1.02191 | 62325 | 61700 | 1.012966 |
| 7/6/1995 | -25 | 5.75 | -4.16667 | 1.23 | 55785 | 55200 | 1.059783 | 56190 | 55600 | 1.061151 |

| | | | | | | | | | | |
|------------|-----|------|----------|-------|-------|-------|----------|-------|-------|----------|
| 2/1/1995 | 50 | 6 | 9.090909 | 0 | 47190 | 47220 | -0.06353 | 47585 | 47615 | -0.06301 |
| 11/15/1994 | 75 | 5.5 | 15.78947 | -0.22 | 46565 | 46710 | -0.31043 | 46860 | 47005 | -0.30848 |
| 8/16/1994 | 50 | 4.75 | 11.76471 | 0.82 | 46535 | 46205 | 0.714208 | 46800 | 46460 | 0.731812 |
| 5/17/1994 | 50 | 4.25 | 13.33333 | 1.1 | 45065 | 44425 | 1.44063 | 45300 | 44670 | 1.410343 |
| 4/18/1994 | 25 | 3.75 | 7.142857 | -0.83 | 44240 | 44575 | -0.75154 | 44440 | 44765 | -0.72601 |
| 3/22/1994 | 25 | 3.5 | 7.692308 | 0.06 | 47050 | 46940 | 0.234342 | 47260 | 47155 | 0.22267 |
| 2/4/1994 | 25 | 3.25 | 8.333333 | -2.27 | 46895 | 48020 | -2.34277 | 47000 | 48125 | -2.33766 |
| 9/4/1992 | -25 | 3 | -7.69231 | -0.22 | 41665 | 41855 | -0.45395 | 41695 | 41900 | -0.48926 |
| 7/2/1992 | -50 | 3.25 | -13.3333 | -0.27 | 41215 | 41300 | -0.20581 | 41290 | 41390 | -0.2416 |
| 4/9/1992 | -25 | 3.75 | -6.25 | 1.56 | 40320 | 39525 | 2.011385 | 40425 | 39645 | 1.967461 |
| 12/20/1991 | -50 | 4 | -11.1111 | 1.18 | 38835 | 38290 | 1.423348 | 38935 | 38460 | 1.235049 |
| 12/6/1991 | -25 | 4.5 | -5.26316 | 0.45 | 37945 | 37815 | 0.343779 | 38115 | 37995 | 0.315831 |
| 11/6/1991 | -25 | 4.75 | -5 | 0.32 | 39105 | 38970 | 0.34642 | 39310 | 39175 | 0.344608 |
| 10/31/1991 | -25 | 5 | -4.7619 | -0.13 | 39330 | 39375 | -0.11429 | 39545 | 39595 | -0.12628 |
| 9/13/1991 | -25 | 5.25 | -4.54545 | -0.97 | 38350 | 38770 | -1.08331 | 38615 | 39040 | -1.08863 |
| 8/6/1991 | -25 | 5.5 | -4.34783 | 1.44 | 39170 | 38670 | 1.292992 | 39445 | 38950 | 1.27086 |
| 4/30/1991 | -25 | 5.75 | -4.16667 | 0.45 | 37590 | 37545 | 0.119856 | 37845 | 37815 | 0.079334 |
| 3/8/1991 | -25 | 6 | -4 | -0.26 | 37535 | 37565 | -0.07986 | 37890 | 37915 | -0.06594 |
| 2/1/1991 | -50 | 6.25 | -7.40741 | -0.26 | 34340 | 34465 | -0.36269 | 34620 | 34760 | -0.40276 |
| 1/9/1991 | -25 | 6.75 | -3.57143 | -1.08 | 31265 | 31720 | -1.43443 | 31520 | 31980 | -1.4384 |
| 12/18/1990 | -25 | 7 | -3.44828 | 1.24 | 33070 | 32675 | 1.208875 | 33310 | 32915 | 1.200061 |
| 12/7/1990 | -25 | 7.25 | -3.33333 | -0.4 | 32825 | 33050 | -0.68079 | 33090 | 33325 | -0.70518 |
| 11/13/1990 | -25 | 7.5 | -3.22581 | -0.57 | 31915 | 32050 | -0.42122 | 32180 | 32315 | -0.41776 |
| 10/29/1990 | -25 | 7.75 | -3.125 | -0.93 | 30400 | 30625 | -0.73469 | 30650 | 30885 | -0.76089 |
| 7/13/1990 | -25 | 8 | -3.0303 | 0.51 | 37090 | 36945 | 0.392475 | 37555 | 37410 | 0.387597 |

III. Results

The results in Tables 2, 3 and 4 show that the model robustly explains the changes in SIF, both NC and DC, as is to be expected. Specifically, the coefficients for the stock indices are significant, but not for changes in the FFR target.

Table 2 : Multiple Regression Results, All Rate Changes (1990-2001)

This table reports the results of multiple regression analysis wherein all FFR target changes, that is, increases and decreases during the period from July 13, 1990 to

| | %ΔFFR and %ΔS&P vs. %ΔS&P SIF (NC) | %ΔFFR and %ΔS&P vs. %ΔS&P SIF (DC) |
|------------------------|---|---|
| Alpha | -0.033 | -0.043 |
| Beta (%ΔFFR) | -0.002 | -0.0004 |
| Beta (%ΔS&P) | 1.05 | 1.045 |
| t-statistic (%ΔFFR) | -0.321 | -0.078 |
| t-statistic (%ΔS&P) | 34.808 | 34.58 |
| R-squared | 0.965 | 0.964 |

December 11, 2001 were considered with changes in the S&P 500 Index and the related changes in the dependent variable, that is, near and distant futures contracts based on the S&P 500 Index.

Table 3: Multiple Regression Results, Rate Decreases (1990-2001)

This table reports the results of multiple regression analysis wherein 34 FFR target cuts during the period from July 13, 1990 to December 11, 2001 were considered with changes in the S&P 500 Index and the related changes in the dependent variable, that is, near and distant futures contracts based on the S&P 500 Index.

| | %ΔFFR and %ΔS&P vs. %ΔS&P SIF (NC) | %ΔFFR and %ΔS&P vs. %ΔS&P SIF (DC) |
|---------------------|---|---|
| Alpha | -0.083 | -0.091 |
| Beta (%ΔFFR) | -0.008 | -0.007 |
| Beta (%ΔS&P) | 1.06 | 1.055 |
| t-statistic (%ΔFFR) | -0.635 | -0.507 |
| t-statistic (%ΔS&P) | 30.12 | 29.75 |
| R-squared | 0.967 | 0.967 |

Table 4: Multiple Regression Results, Rate Increases (1990-2001)

This table reports the results of multiple regression analysis wherein 14 FFR target hikes during the period from July 13, 1990 to December 11, 2001 were considered with changes in the S&P 500 Index and the related changes in the dependent variable, that is, near and distant futures contracts based on the S&P 500 Index.

| | % Δ FFR and % Δ S&P vs. % Δ S&P SIF (NC) | % Δ FFR and % Δ S&P vs. % Δ S&P SIF (DC) |
|------------------------------|---|---|
| Alpha | -0.177 | -0.17 |
| Beta (% Δ FFR) | 0.019 | 0.018 |
| Beta (% Δ S&P) | 1.011 | 1.006 |
| t-statistic (% Δ FFR) | 0.854 | 0.83 |
| t-statistic (% Δ S&P) | 15.64 | 15.68 |
| R-squared | 0.958 | 0.958 |

The other interesting set of results pertains to the averages of percentage changes in NC, DC and the underlying S&P index. These are summarized in Table 5.

Table 5 : Averages of Percentage Changes in SIF and Stock Prices (1990-2001)

This table presents the averages of percentage changes in the SIF and in the underlying S&P 500 Index on days when the FFR target was changed during the period from July 13, 1990 to December 11, 2001.

| | Near Contracts | Distant Contracts | S&P Index |
|-------------------|----------------|-------------------|-----------|
| All days | 0.449 | 0.433 | 0.454 |
| Days of FFR hikes | 0.369 | 0.369 | 0.396 |
| Days of FFR cuts | 0.481 | 0.459 | 0.478 |

The marked differences in the price behavior relating to rate hikes and cuts are reflected in the volatilities of the percentage changes in NC and DC for rate hikes and rate cuts, as presented in Table 6.

Table 6 : Standard Deviations of Percentage Changes in Stock Index Futures (1990-2001)

This table presents the volatilities of percentage changes in the SIF for near and distant contracts on days when the FFR target was changed during the period from July 13, 1990 to December 11, 2001.

| Event | Near Contracts | Distant Contracts |
|-----------|----------------|-------------------|
| FFR hikes | 1.189 | 1.183 |
| FFR cuts | 1.621 | 1.613 |

The average of percentage changes in the S&P 500 futures contracts, both NC and DC, is positive, considering all days involving rate hikes and rate cuts. The average of changes in NC works out to 0.449, whereas the same for DC works out to 0.433; using a test for dependent samples, matched pairs, the value of t works out to 3.5 and the difference between the two at 0.016 is statistically significant at .05 level.

Probing further by dividing the data into days of rate hikes and rate cuts, it is revealed that on average, the percentage increase in NC, on days of rate cuts, was more than that in DC, i.e., 0.481 versus 0.459, that is, by .022; again, the difference is statistically significant at .05 level, as the value of t works out to 3.8. In contrast, the corresponding difference in the average changes for rate hikes is virtually zero, or .000602 to be precise, and the low t value of 0.16 in this instance confirms the statistical insignificance of the difference.

IV. An Evaluation of the Findings

Going by financial theory, one would expect that interest rate hikes would exert downward pressure on stock prices, which, in turn, would nudge stock index futures downwards, perhaps negating any upward thrust in the contracts on account of rate hikes. However, it appears that increases in interest rates are viewed as signaling an economic recovery whose pace needs to be moderated, in order to sustain it for a longer period of time. The positive informational content of the rate hikes seems to provide the explanation for the counterintuitive finding of the mean changes in SIFs being positive, even on days of rate hikes. But, this curious finding raises a question about the efficacy of monetary policy as a weapon to quell asset bubbles in SIF.

Secondly, the finding about the significant difference between the reactions of NCs and DCs on days of rate cuts suggests that time-spread strategies are more likely to yield a profit when initiated on anticipated rate decreases than on rate increases.

To conclude, interest rate hikes by the Federal Reserve may have an unintended consequence of causing prices of SIF to rise. Further, for successful time-spread strategies, traders will need to be selective between rate

cuts and rate hikes and then make the appropriate buy-sell decisions involving NC and DC.

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Empowering Women: Removing Financial Inclusion Barriers

Yogesh C. Joshi¹ and Mukesh Pal²

Abstract

Financial inclusion is defined as the process of ensuring access to financial services and timely and adequate credit where needed by weaker and disadvantage section of the society at an affordable cost. Financial inclusion and equality of finance are pioneer agenda of inclusive growth. This paper empirically examines various demand side and supply side barriers that adversely affect growth of women's financial inclusion. In addition, the paper attempts to study proposed various initiatives taken by different stakeholders across the world to tackle the issues and barriers impede the growth of women's financial inclusion. The study concludes that the role of gender and women in family for economic decision making is very important and financial institutions need to use various innovative products and programmes to address unique challenges faced by women.

Key Words: Women Empowerment, Financial inclusion, Financial exclusion, Female Literacy

Introduction:

Indian Banking system has gone under major transformation in the last over a decade. RBI has taken various initiatives to implement the financial inclusion plan as policy objectives in India and the progress of financial inclusion has shown a significant growth in the last five years. However the data on women participation in Indian economy is very negligent. According to World Bank study, only 26 per cent of women in India have an account with a formal financial institution. Similarly, only 13.72 per cent of small enterprises are run by women as per the data released by the ministry of small and medium enterprises. There is an urgency to set up a mechanism that encourage and allow women to contribute for India's growth. According to census of India 2011 (Final Population, Age Data, C-13 table), nearly 49 percent of total population are women in India, out of total women population, 69 per cent women still lives in rural areas of the country. It is imperative for the policy makers and government of the country to look into the role of women in economic development and how it can be strengthen in future.

Despite rapid economic growth, the contribution of women in the Indian economy remains very low and it's remains persistent. According to the 2015 Gender Inequality Index (GII) released by United Nations Human Development Reports, India stood at 125th position out of 188 countries in various factors like women labour force participation, reproductive health and education. India lags behind even from Islamic countries like Iran, Iraq and Saudi Arabia. Gender based discrimination is one of the biggest challenges in

developing countries and India is also not excluded from that. In order to prompt poverty reduction and gender equity, there is an essential requirement for using development resource to increase financial access for women.

There are few banks established in India under co-operative model for women such as Shri Mahila Sewa Sahakari Bank Ltd (SEWA) and Mann Deshi Mahila Sahakari Bank Ltd etc. Internationally, Pakistan and Tanzania have successfully implemented gender based banking in their country. For effective participation of women's inclusive growth, it is essential to understand the factors acting as barriers in availing financial services for women, to offer the tailor made products to get desire outcome from it. During past decade or so in India as well intensive efforts are being made for promoting financial inclusion, that too of women specially. Thus, financial inclusion and equality of finance are pioneer agenda of inclusive growth. This paper empirically examines various demand side and supply side barriers that adversely affect growth of women's financial inclusion. In addition, the paper proposed various initiatives taken by different stakeholders across the world to tackle the issues and barriers impede the growth of women's financial inclusion.

Literature review:

A brief review of literature has been presented here of important related research already done with respect to scope of the present paper. The same is given here below.

Rangrajan Committee (2008) on financial inclusion stated that: "Financial inclusion may be defined

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as the process of ensuring access to financial services and timely and adequate credit where needed by vulnerable group such as weaker sections and low income groups at an affordable cost." The financial services include the entire gamut of savings, loans, insurance, credit, payments etc. By providing these services, the aim is to help them come out of poverty.

According to Chakarbarthy (2006), erstwhile Deputy Governor of the Reserve Bank of India, in his paper "Indian Bank: A case study on Financial Inclusion", the biggest challenge is to provide financial inclusion package to those financially excluded. This needs to be done through appropriate technological and business delivery interventions as well as by providing adequate linkages and infrastructure with effective participation by all the stakeholders. This will result into increase income, build financial assets and empower the lives of millions of households currently excluded from economic opportunities. In his research paper

Kempson (2006) highlighted the demand and supply side factors responsible for banking exclusion. He listed out refusal by banks due to lack of documents and identification, terms and conditions of accounts, various bank charges, physical access and culture barriers are main causes liable from supply side for financial exclusion. On the other hand he also pointed out low level of income, fear of loss of control, psychological barriers, cultural barriers, religious barriers and lack of awareness of advantage of being banked are the main demand factors contribute for financial exclusion.

According to Federal Ministry for Economic Corporation and Development, UK (2013) research on promoting women's financial inclusion toolkit reveals that the major supply-side constraints are such as Collateral requirements, limited physical outreach and typical banking hours, documentation requirements, product features, service delivery and women are not prioritised as a business segment etc. On the other hand, women have lower income than men, low level of education, lack of access to mobile phone, constraints on mobility, lack of decision making power and statutory formal laws are the main demand-side constraints affect the women to access the formal financial services. The current pattern for savings, and investment, has been developed with aim to address the hypothetical and empirical issues and need improvisations in methods of financial service offerings and policy initiatives for inclusive

growth. Even IMF financial survey also shows that "India lags behind with other emerging countries in financial inclusion by a significant margin".

(Nair, 2012) According to Research report by Women's World Banking (2013), reveals the main causes responsible for women remain excluded from Formal financial system are Structural and Circumstantial barriers. Structural barriers are those faced by women and rise from traditional and contemporary cultural and other socio-economic characterises. In this research paper it also highlight the women's personal circumstances, including household dynamics, level of education, economic activities and access to opportunities as a Circumstances barriers.

Choudhary (2011) suggests that rural female population LFP is declining across all age groups due to education effect. It has been argued that the effect of education can be two fold. The increased number of rural females perusing higher education might lead to not only to a temporary decline in their LFP but could also lead to underemployment and perhaps also a permanent decline in their LFP rates in long term. Based on the various research and their findings, still there is a need to study the gender base inclusive growth of women and list out various barriers and strategies to improve inclusive growth for women.

Garikipati (2008) proposed that there is a relevance of social interaction and caste affiliation for individual awareness of financial instruments and investment behaviour of households in India. There is a positive relationship between financial literacy of women and social interaction. However, especially backward caste people living in regions with a large fraction of backward caste have a lower probability of being aware of various financial instruments.

Rutherford (2001) has proposed three purposes that advocated the need of financial service to poor i.e.// to defray expenses related to education, house-building, invariably go in for loans, emergencies such as serious illnesses, property loss due to accident, death in family and an investment needs to buy or build income earning assets. According to Asharf (2009) finds in their study that saving schemes not only improve women's confidence but also decision making power in the household. Increases in female share of Income lead to an empowerment in the household and reflect preferences

of the women in allocation of resources. This helps to reduced the poverty, Enable household to spend more on education than basic amenities, empowered the women by enhancing their contribution to the household income, contributed to a reduced dependency on informal money lenders and other non - financial institutional resources.

(NABARD Self help group-Bank linkage model). According to SEWA (2009), **Empowering women in an insecure world**, the survey found that, due to their wide networks, the SEWA members have more access to credit and are more likely to borrow from a variety of sources, while non-SEWA members tend to be more confined to their family circles and to moneylenders. Furthermore, the interest rates paid by SEWA members are also lower than those paid by non-SEWA members. It enables more participation of the members to the mainstream of formal financial sector. (SEWA, The self employed Women's association, Started in India, 1972).

Kantor (2009) in his research paper proposed that lending to women benefits their households. However this may not empower the women concerned. Final outcome conclude that loans procured by women are often diverted into enhancing household's assets and incomes this combined with women's lack of co-ownership of family's productive assets, which resulted into women disempowerment. If empowering women is a crucial objective, then the patriarchal hold on productive assets must be challenged.

According to **Nitinkumar (2013)**, geographic penetration of banks, employee base and credit availability are significant determinants to foster financial inclusion in India. It often leads to poverty alleviation and socio economic development of rural household in India.

According to **Dr. Sharma et al (2013)** proposed that inclusive financial growth helps in bringing the gap between the sections of society that are financially excluded within the ambit of the formal financial system and by providing financial literacy and strengthening credit delivery mechanisms so as to improvised the financial economic development of the society.

According to **Rajan and Zingles (2003)**, development of the financial system contributes to economic growth. Financial development creates

favourable conditions for growth through either a supply leading or a demand -following channel.

Rangarajan (2011) proposed that because of Mahatma Gandhi National Rural Employment Guarantee scheme has managed to provide supplementary jobs and wages also have gone up. With higher incomes, which help households escape poverty, there could be a tendency for women to withdraw from labour force to attend the domestic duties. However a sample analysis for the 2009-10 NSS data by **Kanan&Raveendran (2012)** does not support the income effect hypothesis. Their study finds that majority of the reduction in labour force are from rural areas and largely from poorer households. **Dr. Rao (2013)**, findings suggest that microfinance scheme can have an effect on poverty alleviation and women's economic condition and on indicator of broader empowerment. **Littlefield, Morduch and Hashemi (2003)** found that Microfinance is one of the common and well known financial inclusion programmes. There are number of studies have shown that they can have a positive co-relation on women's empowerment.

Challenges in promoting women's financial inclusion

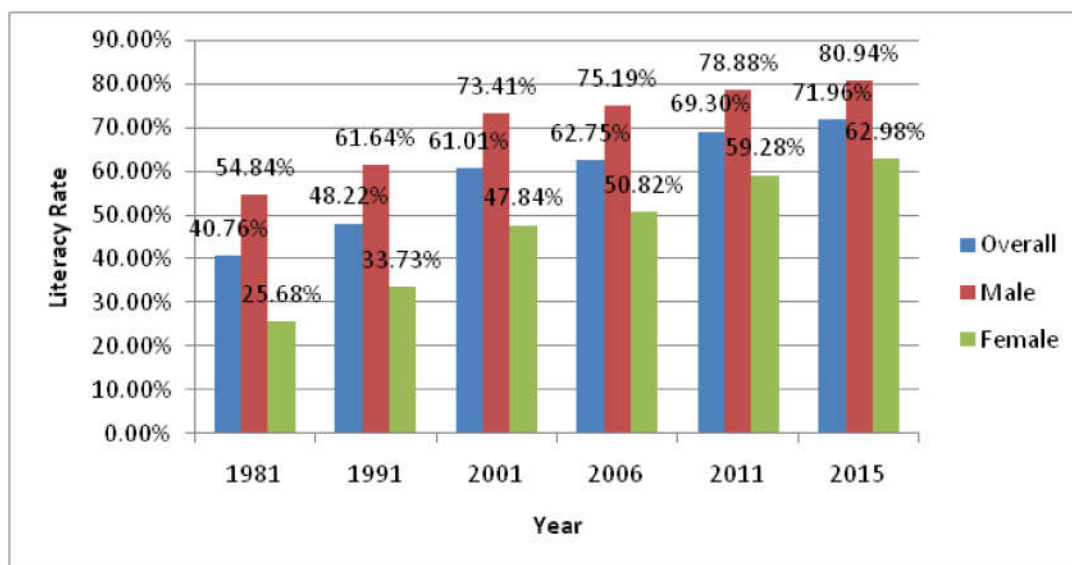
Typically, barriers to financial inclusion are bifurcated as supply and demand side. These may affect women more than men, or affect them differently from men, but in some measures they will impact both male and women. Supply and demand barriers can reinforce each other and it is important to study the relationship between two that largely determines the extent and quality of financial access in India.

Demand - Side barriers

I. Literacy rate by sex and gender gap

The economic development of any country is indicated by the level of literacy without any gender discrimination. Though India has made a considerable progress in the education sector, the progress made in this sector is very low. There is a considerable gap between male and female literacy rate in India. According to World Bank data shows the literacy rate in India from 1981 to 2015. The source defines literacy data as the percentage of people aged 15 and above who can read and write. Literacy rate of men was 80.94 per cent where as women it was around 62.98 per cent. The gap between male and female literacy stood at 17.96 percent. There has been seen a substantial increase in the number of

Chart: 1 Literacy rate by Sex and gender gap in literacy rates, India: 1981-2015



(Source: World Bank @ Statista 2017)

literate women and this gap is narrowing. The Chart 1 shows the gender gap between males and females in literacy has managed to reduce from 29.16 per cent in year 1981 to 17.96 per cent in year 2015. **(Data are shown in chart 1)**

Various empirical studies find that there is a positive correlation between women literacy and women empowerment. Lack of education means lack of awareness. Women's low level of literacy and awareness leads to difficulty in making an informed financial decision regarding various financial services and its implications which affects their financial capabilities.

II. Gender discrimination in Labour force participation

The numbers of women in the labour force as a proportion of the total female population gives an indicator of some of the challenges posed in India. Structural barriers are one of the biggest constraint that restrain women from economic participation. Structural barriers include a lack of business opportunities and markets, particularly for women. As woman are mainly engaged in their domestic duties that include childbirth, caring for the young and old, cooking, and a range of other activities that are crucial for the upkeep of the family. According to National Sample Survey reports tells that, in 2015-16, the labour force participation rate by men and women are nearly 78 per cent and 31 per cent respectively. The women labour force participation has dropped

substantially from 42.7 per cent in 2004-05 to 31.2 per cent in 2015-16. The labour force participation rate of women is low and sizable gender gap prevails. Moreover women tend to work in marginal jobs. In rural areas, women's participation in agriculture activities are quite often periodically enters and exit from agriculture work. The growth of agriculture incomes in the country was static, however the number of female workers engaged in agriculture and related activities increased significantly, possibly indicating distress employment. Women have lower incomes than men, often because of the kind of work they do.

Table 1 presents labour force participation rates estimates in India by sex for the persons aged 15 years and above. The female and male work participation has reduced by 11.5 per cent and 8.3 per cent respectively from year 2012-13 to 2015-16. **(Data are shown in Table 1)**

Table: 1 Labour force Participation Rate in India (in %)

| Residence | Sex | 2012-13 | 2015-16 | Change |
|-----------|---------|---------|---------|--------|
| Total | Persons | 63.7 | 55.6 | (8.1) |
| | Males | 84.00 | 75.7 | (8.3) |
| | Females | 42.7 | 31.2 | (11.5) |

(Source: National Sample survey 2015-16)

III. *Psychological and cultural barriers*

Empirical study reveals that many women on low income feel quite disengaged from banking and their belief that banks are not really interested in the needs of women like them and the services are provided by them are not appropriate to their needs. Psychological barriers often lead to a self exclusion of women from banking services. This issues become even more critical in countries like India where the major financial decision in family are taken by male and women are totally been ignored. Islamic communities face religious barriers as under the Islamic law it is forbidden to take any interest on bank accounts that keep them away for financial access. According to Census of India 2011, religious composition, Muslims population is second highest in the country, which contributes nearly 13 per cent of total population in India.

IV. *Statutory formal law*

Archaic land law in India is also not in favour the women. Denial of inheritance and land rights to women makes economic situation of women more venerable. It often leads to make it difficult for women to offer any collateral while accessing credit in formal financial system. Refusal of credit by bank often forces to borrow from informal financial system. Due to women social dimension, they become more loyal towards the informal system as credit is easily available without any collateral and documentations, which may stop women from exploring formal - sector alternatives. According to census of India 2011, only 11 percent of agriculture landowners were women.

V. *Circumstances Barriers*

Circumstances barriers are the factors arising from women's personal circumstances, including household dynamics, economic activities and access to opportunities. These barriers prevent or limit the ability of women to grow business, control their financial resources and access financial services. It is also one of the important factor that confine women from financial access as domestic duties still considered as primary social obligation for women in India which restrict the mobility of women. That often leads to inability to access information, poor social networks and lack of knowledge makes women more risk aversion by nature.

VI. *Less access of technology*

There is revolutionary development in the field

of telecom which opens the new avenue for the Banks to outreach to the masses at a cost effective way. Its build network, reach and scalability in rural areas provide huge potential to unbanked people. Use of mobile phone can enhance access to information and build strong social networks and remove the constraint of time to access the financial service through M-Banking. However according to research conduct by the GSMA Development Fund, only 28 per cent of Indian women own a mobile phone, compared with 40 per cent of men. Low penetrations of mobile phone among the women also contributeto the financial exclusion.

These are the main demand side barriers that need to be address with a multi dimensional and multi-level approach to enhance the women's financial inclusion. Political, legal and regulatory enabling environment that ensure to have policies, law and regulations in place that support women's rights and protect gender equality. Social and cultural enabling environment and Institutional support to enhance women capabilities by providing education, training, skills and information about legal rights, productive assets etc.

Supply side barriers

Supply side data provides a valuable insight on existing set of customers served by financial institutions, information on products and services available, reach of services and number of clients etc and that helps to identify the difficulties faced by women in access of financial services by measuring the gap between product offerings and women need. List down the main supply side barriers are as below:

I. *Identity Requirements*

Lack of Identity proof to meet the basic compliance of Know Your Customer guidelines, is the biggest supply side constraint. Policy makers had taken several steps to overcome problems by simplification of documents. However it has been evident that women are less likely than men to be able to fulfil the KYC requirement as they often lack of formal documentation. For example, In India, after marriage, women name got changed and need to apply for various regulatory institutes to get the revised KYC documents. Women often do not apply for the same due to lack of awareness and its importance. In order to overcome the lack of identity requirements, RBI has relaxed and simplified the KYC norms, Aadhar card can be considered as an Identity

and address proof both for opening an account with Bank. Even a single identity proof holder can open a small saving account with balance up to Rs.50000/- and with credit limits up to Rs. 1 Lakh a year.

II. Products offered by Banks/ Financial Institutions

Product features are often not suitable to the women's requirements. Eligibility criteria, loan term, collateral requirement etc are not fulfilled by the women's economic condition which leads to refusal by banks their proposal. Archaic law in India also not in favour of women's right in inheritance and land that create inability of women to produce land and property as collateral security to avail the finance from the banks. Bank charges are very high and not commensurate with the profile of women, and term and condition also very complicated and difficult to meet. Though RBI has made it compulsory to promote the Basic bank accounts by banks, however empirical study and usage analysis reveals that hardly any transaction executed once basic bank account opened by banks. Secondly, financial literacy is very important parameter, without which it's not possible to accomplish the goal of inclusive growth. Lack of promoting awareness and knowledge of financial products are the major reason for financial exclusion. In India, Financial Inclusion is not considered as business opportunities and profit making model by banks, still bottom of pyramid segment of the customer considered more as social responsibility and regulatory requirements. In any loans and advances funded by bank, seek information on income and productive assets holding by customers to check the credit worthiness of customer. Women often do not have any legal income proof and assets in their name. Hence they have been excluded from availing financial services on eligibility criteria.

III. Physical Access Problems

It is not financially viable and profitable proposition for financial institutions to set up their brick and mortar bank branch network to cater the financial needs of unbanked population in India. Technological advancement and new innovation in telecom field which opens the new avenue for the Banks to outreach to the masses at a cost effective way. Still the women trust the traditional brick and mortar branch structure for access their financial needs. Limited physical outreach and typical bank hours affect women more than men because they are less mobile than men. Women very often busy in

discharge their responsibility towards family and find difficult to access the financial products within banking hours. Lack of awareness of being benefited by using financial services from formal financial institutions among women, is also one factor that prevents them to access the financial service e.g. / Timing of the banks in India is fall between 09:30 AM to 4:00 PM in the evening, women tend to busy on discharge to their social responsibilities and long branch distance create a problem to visit the bank in business timings hour and not able to execute their work on time.

IV. Attitude towards women labour force in Management

Women labour force in management face many challenges such as they need to work harder to prove themselves, men do not respect women bosses and prefer to have them as subordinate as opposed to superiors and women are often excluded from informal networks etc. According to Gender Diversity Benchmark for Asia, 2011, that undertakes surveyed on women at different managerial levels across 21 companies in China, Hong Kong, India, Japan, Malaysia and Singapore. Nearly 28 per cent of women work at junior level followed by roughly 15 per cent and 9 per cent women are working at middle and senior level management at work place respectively. It highlights the gender base discrimination prevails in corporate world and it has considerable impact on economic empowerment and financial independence of women. Recently, Union government has passed new company bill which make it mandatory to appoint a women as director in corporate board that advocate the importance of gender diversity in company's management.

Strategies to tackle the women's financial inclusion barriers.

Below are the key proposed strategies that need to be adapt to tackle with the women's financial inclusion by taking into account the prevailing barriers and impediments facing women.

Importance of financial inclusion need to be given utmost priorities by leaders and policy maker at the time of framing policies by keeping in mind its potential contribution in poverty reduction and women's economic well being. In addition to that high profile public figure men's endorsement for gender equality has significant impact in society. 'He For She' campaign launched by The United Nations is an excellent example in this context.

The benefits of financial inclusion for women need to be promoted at the highest level by government through awards, exhibition, media events and conferences etc. Women's financial inclusion is not to be seen as a standalone issue and has to be aligned to broader prospect for social, economic and financial priorities and policies. India and Zambia have successfully implemented these strategies. Government of India has launched the campaign to create awareness about credit facilities and various government schemes to mitigate their financial needs, organize entrepreneurship development programme and training specially designed for women entrepreneurship by collaborating with exiting entrepreneurship development institutes in India to develop appropriate programmer for women living in both Urban and rural areas. There is still a long way to go for effective result in inclusive growth.

By setting up the women ministry in government to take initiatives for women welfare does not suffice its purpose. Policies and regulatory frameworks that encourage gender inequality and acting as barriers for women financial inclusion must be identifies and takes corrective action and positive approached to close the gender gap such as Government must give equal rights to women in property in order to expand their economic opportunities. The partnership between the Uganda Land Alliance(ULA) and the International Centre for Research on Women (ICRW) has build a local legal aid organization with aim to provide legal counselling and awareness raising events to improve women's property rights. This initiative resulted into women being able to keep their land and other immovable assets after their husband's death. There are many organizations actively participate for raising awareness and fight for women rights viz. The UK Government's Department for International Development (DFID), United States Department for International Development (DFID) , the World Bank's International Finance Corporation (IFC) and various UN Agencies etc.

The lack of sex - disaggregated data is a major constraint when it comes to design the policy frameworks to address the limitations placed on women in using financial services. India is the best example in this context, statistics on women's low level of access is often overlook within aggregated macro-level data and does not catch the attention of policy maker. In 2000, RBI issued a notification to all public sector banks to disaggregate and report the contribution of credit to women within their

total lending portfolio. In order to promote the credit facilities among the women, government has simplified the procedural formalities and appraisal standards, established specialized branches for women offering free credit related counselling, guidance and information about various services etc. This resulted into significant increase in the access of finance to women from their 2.36 per cent of aggregate bank credit in 2001 to 5 per cent within 5 years as per the EXIM Bank report, 2014. Accurate, up-to-date and reliable data is very useful in providing critical information on the main barriers and prevailing gender inequality in access of finance and facilitate to measure the progress. It also generates valuable market information about potential business opportunities that can be enact and measure the impact of access to financial services on economy growth and poverty reduction.

Information regarding financial needs of women is an essential element for policy designing. More accurate and up-to-date sex disaggregate data is required to understand the various needs of female belongs to different areas such as workers, entrepreneurs and poor/disadvantaged women etc. A collective approach by all stakeholders from Government, policy makers to financial institutions work together could help to raise the awareness and facilitate gender -oriented reforms. Women are not a homogeneous group and they come from different backgrounds, economic conditions, different needs and aspirations. Additionally, they have their own set of issues and challenges. Hence, each group will require its own set of products and services in order to successfully access financial support. Innovation and segmentation of financial products and services is the need of the hour.

There are many empirical studies validating that financial education and financial literacy have positive correlation for financial inclusive growth. Financial literacy among the women is relatively low compared to her male counterpart. To address the issue, policy makers could design particular training schemes and programmes that deliver women and girls with necessary education and skills. In India, set up a women's cell at the bank's head offices as well as in their regional offices where information, counselling/guidance and other credit related services for women entrepreneurs should be provided. Bank must take appropriate action to ensure that the branch level functionaries do not indulge in traditional finance bias towards males. In India, Government may also take help of non-governmental organizations

(NGOs), Self Help Groups (SHGs) and women's co-operatives in reaching out to women, particularly living in the most remote regions.

Collateral requirement by the banks are the biggest obstacle for the women entrepreneurs. In order to fully utilize the economic opportunity of disbursing financial loans and services to women, more innovative and tailor made products and services need to be designed. This could be done by use of movable securities or unconventional collateral such as jewellery, receivable and saving. In order to accelerate the growth of credit facilities among the women, Government of India has increase the limit on non -collateralized loans from Rs. 100000 to Rs 500000. Commercial banks in Africa also accept alternative collateral such as jewellery and account receivables for credit sanction.

Public - private partnership is the important essence for the growth of women's financial inclusion. The new round of Sustainable Development Goals gives greater importance to the role of the private sector in development and there are large number of initiatives from the business communities that creates a shared value which encourage long term relationship between businesses and communities for their mutual advantage.

In a country like India where the majority of population is still very poor and for the poor, access to finance and ensuring the optimal usage of available resources is a major challenge. Technology is the key to bridge the gap for financial inclusion. The banking sector has made significant development in the advancement of technology for delivering financial services at an affordable cost to vast sections of the society. Internet, Mobile Banking, Digital Wallet, Automated Teller Machine, Unified Payment Interface, AADHAR Enable Payment System Etc are playing a pivotal role in achieving financial inclusive growth, specially women who mainly engaged in household responsibility and not able to get time for access of financial services. The penetration of digital method of financial access is at initial phase; need to create awareness among the end users to get fruitful result.

Conclusions

India has experienced rapid economic growth and development in the past years; however gender inequality in women's economic participation has remained low. This is completely unacceptable for avoiding the role of women in the socio economic growth of the country.

To encourage more equitable economic participation and growth of women, quality education and adequate infrastructure is need of the hour. It is the responsibility of all stakeholders to provide equal access and adequate safeguard for women to participate in progress of the economy. One of the major problems is lack of regular and periodic data on different parameters of financial inclusion such as banking penetration, availability, utility and quality of financial services etc. that helps to design effective policy framework.

Thus, it indicates that although the demand and supply side barriers with reference to women's financial inclusion are varied, appropriate strategies and unique product design features can help to overcome some of these barriers. There is a further scope to explore role of gender norms and role of women in family for economic decision making and test various innovative products and programmes that can address unique challenges faced by women.

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Social Media and E-Tail - A Theoretical Perspective

Akshat Aditya Rao¹ and Rajesh Kothari²

Abstract

Purpose-The purpose of the study is to describe the role of social media for e-tailers in India. This study makes an attempt to highlight the importance of social websites particularly for the sellers operating in digital market space. This study enlightens the impact of social media on e-tailers.

Research Methodology-The study is descriptive in nature and develops its rationale from the past studies conducted on commercial aspect of social media exclusively for e-tailers. The up-surgng activity of online buyers on social media platforms like facebook, pinterest, instagram etc. have been effectively utilized by e-tailers for promoting their products.

Research Findings -"Being connected" and "being engaged" are the two important elements associated with online information sharing on social media platforms. The potential for e-commerce information sharing makes these social networking sites of interest to marketers, advertisers, and others in the commercial arena.

Research Implications-The present study explain the significance of social media platforms for e-tailers and how these platforms can be proved to be an essential part of the promotional mix for the online sellers in India.

Key Words-Social Media, e-tailers, e-commerce, promotional mix

Introduction

The popularity of social networking sites is unquestionable in today's business environment (Boulianne, 2015). The platform of social media is no longer an experiment by the marketers (Mckinsey Report, 2012). Further, this report has also emphasized on demystifying the impact of social media on firm's performance. It is due to the fact because most of the executives do not know how social media affects the consumer behaviour. According to a study conducted by Booz and Company 'social apponomics' is a new evolutionary stage of e-commerce. It basically relates with the development of new business models with the help of customer insights, social media and customized applications. Therefore, it is highly essential for marketers to understand the nitty-gritty of social media.

According to a survey conducted by Ernst and Young in 2013, it has been found that most of the organization utilized social media as a platform to build social communities followed by highlighting their brands. For organizations, social media is a platform to interact with customers and build communities but for most of the consumers in India social media is about connecting with friends, family, accessing news, reviews and entertainment and further it is not so much related with brand interaction. Hence, it is important to understand

the social media platforms for marketers in general and e-tailers in particular for retaining existing customers and acquiring new customers. In the words of Bradley (2010), "you need to be where the conversations are taking place". Information transmitted through social media has been become a major factor in analysing the online buying behaviour of consumers.

According to Mangold and Faulds (2009) the emergence of social media in the field of e-commerce has completely changed the communication tools adopted by marketers. They also referred social media as 'consumer generated media'. Blackshaw and Nazzaro (2004) have defined this as "a variety of new sources of online information that are created, initiated, circulated and used by consumers intent on educating each other about products, brands, services ,personalities and issues". The present paper has been structured as follows -second section explains the various forms of social media, third section discusses the importance of social media through various theoretical models, fourth section presents social media as an effective medium in strengthening the promotional mix of firms and finally the paper concludes in section 5.

Social Media for E-Tailers

Undoubtedly, internet has a widespread infrastructure of information. According to Jens Lapinskiⁱ, 'all roads lead

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to internet'. This has fundamentally changed the role of marketing and advertising. Furthermore, internet or World Wide Web has revolutionized the commerce.

The global nature of internet, its vast reach and different interactive capabilities have made it an important marketing and trading medium for many firms. Nowadays, buyers want to be informed about every aspect of product he is going to purchase and internet has provided this medium in a convenient, effective and easy way. Interestingly, internet has led to the emergence of virtual stores and thereby has completely changed the methods of purchase. It has a major role in the paradigm shift of customers from offline to online purchasing. According to Koufaris et al. (2002), B2C (business to customer) e-commerce has been revolutionized in two major ways namely transformation of consumer into computer user and conversion of physical store into a digital or virtual store. This gives rise to the emergence of internet retailing or e-tailing. According to Delayco and Walcutt (2010), e-tailers can be classified into two types namely brick and mortar e-tailers and pure play e-tailers. Brick and mortar e-tailers has a physical store too along with the online presence in the digital world but pure play e-tailers sell their products only via the medium of internet. The present study is focused on the pure play e-tailers. The e-tailing industry is a product of e-commerce.

Social media or web 2.0 when used in e-commerce market is also referred to as Social commerce (Kim and Srivastava, 2007). There are about 462 million internet users in India.ⁱⁱ India is having second highest number of facebook users (213 million as on April 2017) after the US.ⁱⁱⁱ The growing performance of e-tailers has been indicated by gross merchandise value (GMV) of shipments which was about 16 billion US dollars in 2016.^{iv} As far as Indian e-tail industry is concerned 43.8% Indian internet users shopped products using various e-tail platforms.^v

According to a report of PWC (2016), online shoppers in India use social media for keeping up with latest trends, receiving offers, associating with brand retailers, viewing ads, writing reviews, reading reviews and option to purchase product via social media. It further attests the difficulty of customer engagement with the help of social media. This is also supported by the study of Ernst and Young (2016) which documents that among the major challenges faced by the brands in social media marketing, customer engagement occupies the first place

followed by content creation and measurement of effectiveness of social media as channel of promotion. Thus, understanding of social media has become need of the hour for every organization.

Online customer who often look for a product that is lower in price and offering similar benefits are not as profitable as brand loyal customers. They compare prices online and then buy from brick and mortar store or vice versa. Thus finding a brand loyal customer is always rewarding. But the real challenge faced by an e-tailer is to attract a brand loyal customer to its own website or app for purchasing that particular brand. The problem here is that the same brand may be offered by another e-tailer or retailer at different price which may be lower. In such case e-loyalty becomes quite essential for the e-tailer. E-loyalty refers to the customer's intention to consider a website for revisit or consider it for repeat purchase in future (Cyr, 2008).

Social media here plays a very important role as far as customer loyalty is concerned. Brand loyal customers always share their experiences with family, friends and acquaintances in their social media circle. Also they become part of brand community which helps in creating a affiliation that is fruitful for the company as well as the customer. "A brand community is a specialized, non-geographically bound community, based on a structured set of social relations among admirers of a brand"(Muniz and O'Guinn, 2001). Fan pages, blogs etc. are very good examples of such brand communities. It also encourages other users in network to try and attract non-users to use the product and become brand supporters. Strong brand followers always act as brand advocates and contribute to positive e-word of mouth. Thus social media becomes a very important tool for modern marketers.

Kaplan and Haenlein (2010) classified social media platforms on the basis of social presence/media richness and self-presentation/self-disclosure as under:

1. Social Networking Sites: Medium social presence/media richness and High self-presentation/self-disclosure e.g. Facebook, twitter, linkedin
2. Content Communities/Content Sharing Sites: Medium social presence/media richness and Low self-presentation/self-disclosure e.g. Youtube, Instagram, Pinterest, etc.

3. Blogs: Low social presence/media richness and High self-presentation/self-disclosure e.g. Huffington post, Mashable etc.
4. Collaborative projects: Low social presence/media richness and Low self-presentation/self-disclosure e.g. Wikipedia
5. Virtual Social World: High social presence/media richness and High self-presentation/self-disclosure e.g. Second life
6. Virtual Game World: High social presence/media richness and Low self-presentation/self-disclosure e.g. World of Warcraft

Social Media as an Enabler-Theoretical Perspective

The growing significance of social networks in today's virtual world has become highly imperative especially for e-tailers. "Social networks are fundamentally changing business models and shaping markets as they empower internet retailers or e-tailers, potential and current consumers and consumer groups" (Delayco and Walcutt, 2010). Social media has been extensively used by firms nowadays. It is due to the fact that word of mouth (WOM) generated through social media not only induces brand awareness but also increases firm's sales revenue and return on investment (Kumar and Mirachandani, 2012). According to Hennig-Thurau et al. (2004), electronic word-of-mouth (eWOM) communication is defined as "any positive or negative statement made by potential, actual, or former customers about a product or company, which is made available to a multitude of people and institutions via internet".

According to Chikandiwa et al. (2013) Social media marketing as a system that allows marketers to engage, collaborate, interact, and harness collective intelligence crowd sourcing for marketing purposes. The integration of social media principles with marketing communication elements is essential to create strong and lasting relationships. Social media offers multiple benefits to the e-tailers such as creating brand awareness, visibility, reputation, knowledge sharing, customer acquisition and retention, low cost promotion, new product development (Kaplan and Haenlein, 2010). Despite of having various advantages, social media should be used very critically and strategically by the firms, especially e-tailers. Because the consequences of negative comments are much higher than the positive comments and therefore it is like a double edged sword and should be used carefully and tactically.

Social Media Adoption Models

These models can be broadly classified into two categories. The first category conceptualizes the model on the grounds of possible organizational strategic frameworks. The first and the only model in this category is Social Organising Model (SOM) proposed by Owyang, (2010). SOM has defined social media under different strategic frameworks. Thus, it can be centralised, distributed, coordinated hub and spoke, multiple hub and spoke or holistic.

The second category views social media adoption models on the basis of the different phases of maturity an organisation can be in the adoption of social media. Essentially there are five social media adoption models in this category: the social media strategy learning curve (SMSLC), "Social media adoption curve" (SMAC), "Social engagement journey" (SEJ) and "Social media maturity model" (SMMM).

SMSLC has been proposed by Smiciklas in 2011. It defines adoption and application of social media in four phases namely emerging, tactical, integrated and social phases. It recommends the SWOT (Strength, weakness, opportunity and threats) analysis in the field of social media for new and emerging firms. Firms operating in the tactical stage need to understand the characteristics and tools of social media and also needs to pay the attention on the skills required for their implementation. In the integrated phase, firm becomes more advanced for the application of social media. Firm can link their organizational goal with the social media goals. In the social phase of the organization, employees can also communicate to internal and external audiences.

The SMAC model was given by Mixt Media in 2008. It suggests six successive stages of adoption of social media namely learning, observation, broadcast, participation, relationship and collaboration phase. The first phase educates the firm with the meaning of social media and how it can be used. The observation stage involves the silent inspection of social media space without taking any actions. The broadcasting stage involves only one way communication of firm with the customers. It helps in realizing the fact that social media is just not a channel of broadcasting but can be effectively used as a tool for customer engagement. Therefore, it results in the two way communication and it has been observed in the participation stage. This communication leads towards the development of relationship between customers and

the firm. The firm also understand that value creation is not only important for their growth but also for customers whom they have started building relationship. It leads to the stage of collaboration between firms and its customers. In this stage both firm and customers interact and starts creating value for each other by mutual collaboration.

The SEJ model was propounded by O'Driscall in 2010. It focuses on the steps that a firm must take to implement social media tools. These phases are : traditional, Dabbling in Silos, operationalising, real results and the fully engaged organisation phases. The traditional phase involves each and every department independently communicating with its market. In the Dabbling in Silos phase a department or a few individuals are assigned to be actively involved in creating awareness about the social media and making valuable connections with the market/ audiences. In the operationalising phase the organisation fully adopts social media. Policies and strategies are formulated. In the results shown phase, the return on

investments (ROI) should be realised. In the last phase the organisation should be fully and openly engaged with its audiences/customers.

The SMMM model was given by Luxenmbourg (2011). It suggests four phases namely the ad hoc, experimental, functional, and transformation phases. In the ad hoc phase has been characterised by the unstructured adoption of social media in an individualistic way by the employees of a firm. In the experimental phase the firm started accepting and exploring social media. Experimental implementations are done to evaluate the learning experience. After experimenting with social media it is now adopted to serve the organisation. At this level social media is adopted to into the organisation's business processes. Policy and best practices of its use are defined. In the transformation phase the boundaries between the organisation and the outside world fade transforming the organisation and its stakeholders into an open collaborative network.

Table 1 Summary of Social Media Adoption Models

| Models | Phase 1 | Phase 2 | Phase 3 | Phase 4 | Phase 5 | Phase 6 |
|--------|-------------|-------------------|-------------------------|-------------------------|--------------|---------------|
| SMSLC | Emerging | Tactical | Integrated | Social | | |
| SMAC | Learning | Observation | Broadcast | Participation | Relationship | Collaboration |
| SEJ | Traditional | Dabbling in Silos | Operationali- zation | Complete Integration | | |
| SMMM | Ad hoc | Experimental | Functional | Transformation | | |

SMSLC= Social media strategy learning curve; SMAC= Social media adoption curve; SEJ= Social engagement journey; SMMM=Social media maturity model

Social Media Implementation Models

This section discusses the social media implementation models proposed by the social media experts and the practioners. Chikandiwa et al. (2013) has classified social media implementation model in three categories listed below-

1. Models based on prioritising the targeted customers;
2. Models based on prioritising the firm's strategic objectives; and
3. Models that try to smack a balance between prioritising customers and strategic objectives.

Implementation models that prioritise the targeted customers

This category comprises of two models namely POST and ACCESS. The 'Post' model has been given by Bernoff (2007). It stands for People, Objectives, Strategy and Technologies. People stand for the customers and it advocates that firm should understand its customers and the potential they seek through these customers. The firms should be clear about the rationale behind the implementation of social media. The strategy aspect should be in clear alignment with the firm's rationale for adopting social media as a tool for its growth and development. The technology aspect deals with the type and usage of technology employed by the firm in the implementation of social media.

ACCESS model has been given by Safko and Brake in 2009. It stands for audience, concept, competition, execution, social media, and sales viability. This model says after understanding the customer, a firm needs to define the concepts that it wants to use when communicating/generating content. It calls for segmentation of customers and creation of communities. This results into focused and relevant concepts. ACCESS models also deals with the analysis of competitor's activities on social media. The execution and social media (tools) aspects of the model deal with the development of the social media strategy and the selection of tools to be used.

Implementation models that prioritises the firm's strategic objectives

The implementation models that prioritize firm's strategic objectives are categorised into two models namely OASIS and SS model. OASIS stands for objective, audience, strategy, implementation and sustainment. It was given by Mason in 2008. It supports the fact that a firm's objective should be considered while deciding the strategy for social media implementation. The next two elements (audience/customers and strategy) of the model are similar as described in the POST model. The implementation part put emphasis on the careful execution that brings out effective strategy into action. The sustainment deals with the vigilant efforts required on the part of organization to keep itself ready for new change required to improve its social media strategy.

The SS model was given by Kerkhofs in 2011. It stands for social strategy model. It advocates the necessity of preparing the internal organization to accept the social media initiative. It consists of nine sequential steps for adoption of social media. These steps are: baseline, problem, objectives, target, strategic options, channel selection, go/no go time, implementation, and managing and measuring steps. The baseline phase establishes the organisation's exact position in the market. The problem step deals with the problem or the concern that adoption of social media will address. The rest of the remaining steps are more like the OASIS model, except for the go/no go time step that comes after the selection of tools to be used. This is meant to create an exit point peradventure the organisation realises that social media strategy adopted is not a solution to the organisation's problem that is set.

Implementation models that balance prioritising the strategic objectives and customers

The only known model in this category is the Advanced Human Technologies (AHT) "Social media strategy framework". It was given by Dawson in 2009. It takes a more responsive approach to social media adoption. The model begins with the learn step. This step involves the active stakeholders in the adoption of social media familiarising themselves with how it works by using social media, studying relevant case studies, interacting with practitioners and exploring latest trends. After the learning phase, two streams of Engagement and Strategy Development follow that have to be implemented simultaneously. Engagement has three sub-steps namely listening, engage in conversation and measure and refine. Listening involves identifying and learning a social media monitoring tool and using it to discover and monitor what is said about one's organisation and market on social networks. The end result of listening should be identification of key influencers. Engaging in conversation involves joining into the conversations and engaging with key influencers. Measuring and refining involves measuring how successful your engagement has been and refining one's social media strategies. Strategy development has three sub-steps: prioritise objectives, establish governance, and define activities. The two streams of engagement and strategy development come together in the actual implementation of social media coined develop capabilities. This will lead us analysing the challenges and opportunities brought about but social media.

Interaction of Social Media Functions With Customer's Buying Journey

The core function of social media involve monitoring, responding, amplifying and finally it leads to the consumer behaviour. These functions are then coordinated with the journey of customer's buying decisions. It is definitely important to understand the how social media interacts with customers to expand product and brand recognition. This will results in increased sales and profitability. Nowadays, social media is primary digital tool used by firms to reach the customers. Therefore, it is imperative to reach the touch points that influence customer's purchasing decisions. Social media is unique element of the consumer purchasing journey. However, it is the only tool that can touch the customer at each and every stage. Further, it also depends on the type of industry and how a firm is dealing with the components

Table 2 -Summary of Social Media Implementation Models

| POST | ACCESS | OASIS | SS | AHT |
|------------|-----------------|----------------|--------------------|----------------------|
| People | Audience | Objective | Baseline | Learn |
| Objectives | Concept | Audience | Problem | Engagement |
| Strategy | Competition | Strategy | Objective | Strategy Development |
| Technology | Execution | Implementation | Target | |
| | Social media | Sustainment | Strategic points | |
| | Sales viability | | Channel- Selection | |
| | | | Go/no go time | |
| | | | Implementation | |
| | | | Management | |
| | | | Measurement | |

of social media. According to a survey conducted by Mckinsey (2012) ten important responses have been highlighted in the matrix depicting the functions of social media and customer's buying journey. Table 3 exhibits that brand monitoring is a default function of social media. It illustrates the consumer's opinion about the product and services. In this function, customer is not directly engaged with the firm but a firm can get insights about their products and services and also prepare itself form the potential danger of negative opinions. Further, another important function of social media is responding with respect to customer negative comments and reinforcing positive opinion. The positive, honest, rapid and transparent responses from the company help in influencing customer's behaviour and sentiments positively. Amplification is also one of the effective functions of social media. It involves designing marketing activities in such a manner that brings more customer engagement and sharing. It means customers must experience the joy of joining conversation with brand, products and other users. Customers should feel great about sharing the content provided by the organisation. During the initial phase of customer's purchase journey referral and recommendations are the important tools of social media used by them. When the purchase is being made by the customer, firm can use another tools of social media to enhance their engagement and foster loyalty.

Firms can also foster communities and rand around their products to reinforce the belief of customers about their right purchase decision. Social media can be used most proactively to lead consumers toward long-term behavioral changes. In the early stages of the

consumer decision journey, this may involve boosting brand awareness by driving Web traffic to content about existing products and services. Social media can solicit consumer input after the purchase. This ability to gain product-development insights from customers in a relatively inexpensive way is emerging as one of social media's most significant advantages.

Conclusion

The study is descriptive in nature. It highlights the emerging e-tail industry in India and the potential of social media in promoting e-tailing. The paper has also discussed about the various conceptual models pertaining to the social media adoption and implementation. It further connects the consumer buying decisions with the functions of social media and highlight the fact that how social media has emerged as primary digital promotional tool for the organizations. "Being connected" and "being engaged" are the two important elements associated with online information sharing on social media platforms. The potential for e-commerce information sharing makes these social networking sites of interest to marketers, advertisers, and others in the commercial arena.

The present study explain the significance of social media platforms for e-tailers and how these platforms can be proved to be an essential part of the promotional mix for the online sellers in India. The present study describes the social media as an enabler in promoting the products and services in the digital space and simultaneously helps customer in experiencing various viewpoints of different consumers throughout the world about the same product. The study develops a ground

Table 3- Matrix exhibiting Interaction of Social Media Functions with Customer's Buying Journey

| | | Monitor | Respond | Amplify | Lead |
|--|------------|--|-----------------------------|-------------------------------|--|
| | | <i>Social Channels for trends and insights</i> | <i>To Consumer Comments</i> | <i>Current positive tone</i> | <i>Changes in sentiment or behaviour</i> |
| Steps in the consumer Decision Journey | Consider | Brand Monitoring | Crisis Management | Referrals and Recommendations | Brand Content Awareness |
| | Evaluate | | | | Product Launches |
| | Buy | | | | Targeted Deals and Offers |
| | Experience | | Customer Service | Fostering Communities | Consumer Input |
| | Advocate | | | Brand Advocacy | |
| | Bond | | | | |

Source: McKinsey Report (2012)

for empirical study examining the role of social media as an enabler for both organization and customers in future.

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Millennials' Perception of Work Environment: A Climate Study Amongst Employees of Hotel Industry

Amit Datta¹ and Amit Jain²

Abstract

Millennial generation's distinctive work attitude is directed by their own perception about the working environment of the organization, i.e. organizational climate. The aim of the study was to investigate organizational climate and its dimensions as perceived by the 378 millennial employees of selected hotels in India. The data analysis revealed that the millennials perceive 'Job Standards', 'Conflict & Ambiguity', 'Leaders Facilitation & Support' to play an essential role towards hotel's climate, whereas 'Regulation, Organization & Pressure' is of foremost concern. ANOVA analysis revealed significant difference in OC across job positions and mean plot submitted that employee of Managerial level perceive it highest followed by Supervisors. Entry Level employees' perception of work environment was least favourable amongst the group. The probable reasons are analyzed and the study suggests suitable measures to create healthy OC, which suits the characteristic and meets the expectations of the millennial employees, leading to organizational growth and success.

Key Words: Climate, Organizational Climate, Millennial, Hotel, Hotel Management, Employee, Organizational Behaviour, HR, Working Environment, Work Condition

Introduction

Organizational Climate (OC) has evolved from the broader domain of Organizational Culture, but still both the theories have been used interchangeably, till Denison, (1996) concluded that culture symbolizes to the essential structure of an organization, rooted in the values, beliefs, and assumptions of the members. But climate is devulged in the practices and actions, that are witnessed at the surface of the organization. Climate is underlined to be temporary, subject to direct control and limited to the characteristics that are perceived by the members of the organization.

OC is a very interesting phenomenon from a research point of view since it can be influenced easily and changes can be detected on a shorter time span (Putter, 2010). Alternation in OC predicts the behavioural consequences of its members and in turn impacts organizational performances (Manning, et.al, 2004, 2012; Johnston & Spinks, 2013; Johnston, et.al, 2013; Datta & Jain, 2017).

Millennial are generation cohort born between starting years of 1977-1982 to ending years of 1994-2003 (Cairncross & Buultjens, 2007; Solnet & Hood, 2008; Shaw & Fairhurst, 2008). For their study of millennial in Indian hospitality context, Datta & Singh, (2017) included all birth years starting from 1982.

Solnet & Hood, (2008) stated that the global socio & geo political scenario during upbringing of the millennial was much different than other generation which resulted this cohort, having distinct characteristics. Eisner, (2005) mentioned that this generation value morality, patriotic, willing to struggle for things they believe is truth, sociable and respect family life over their work life. Millennial believe in team work and emphasis on their perception about their impressions and experiences about workplace. They are brand focused and are the most educated than previous generations (Pendergast, 2010). Datta & Singh, (2017) & Datta, A. (2017) had submitted that it is crucial for the industry to understand the characteristic and work attitude of this generation in precise because their representation of the overall employee strength is maximum and continuously dominating (Anderson, 2016).

Literature Review

The study on 'Organizational Climate' (OC) can be drawn back from the work of Lewin, et.al (1939), and has persistently being the emphasis of many empirical research (Cornell, 1955). OC as a word was possibly outlined by Cornell, (1955) and expressed it as a "delicate blending of interpretations or perceptions by persons in the organization of their jobs or roles in relationship to others and their interpretation of the roles of others in the organization". In the study Litwin & Stringer, (1968)

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stated that "climate is a set of measurable properties of the work environment, based on the collective perceptions of the people who work in the environment and demonstrated to influence their motivation and behaviour". The study by Pritchard & Karasick, (1973) integrated several explanations given by earlier researchers and collectively presented OC as a constant quality of an organization's internal environment, different from other organizations, which are significances of the behaviour of the organization's members, which are perceived & interpreted by the members and regulate the behaviour consequences of the members.

The concept culture and climate have constantly been either confused or used interchangeably. Through an extensive study on both climate and culture literature, Denison, (1996) acknowledged many dissimilarities between OC and culture. The author concluded that organizational culture represents to the essential structure of an organization, rooted in the values, beliefs, and assumptions of organizational members. Whereas OC is devulged in the practices and actions, that are deceptive at the surface of the organization. OC is emphasized to be temporary, subject to direct control and restricted to characteristics that are perceived by the employees.

Lewin, (1951) submitted that behavioral outcome of an individual within an organization is a function of the individual and the organizational environment as represented by the principle of environmental influences on an individual's behavior. From a research point of view, therefore, OC is a very interesting phenomenon. It can be influenced easily, and changes in OC can be observed on a short time span (Putter, 2010) and reflected on the behavioural outcomes of its members and inturn influences organizational performances(Manning, et.al, 2004, 2012; Johnston &Spinks, 2013; Johnston, et.al, 2013).

Hotel industry being a service oriented industry depends heavily on employee's work attitude for its sustainability. Datta, A. (2017) role of the millennial for the success of the hospitality sector is inevitable since they constitute the largest employee share. Also the different demographic profile of the millennial as an employee varies their perception which influences their work attitude(Datta & Singh, 2017;Datta, A. 2017). Work attitudes depends on the goals and expectations which invariably depends on the environmental factors(Lu & Adler, 2009). Since work attitude of the millennial hotel

employees depends on their perception, the studies related to the OC becomes important (Zhang & Liu, 2010; Subramanian & Shin, 2013).

Theoretical Foundation

In the research Denison, (1996) discusses that evolving a universal set of dimensions was often the fundamental issue of the climate researchers so that relative studies could be made possible in different organizational settings. This approach was compared to that of culture research that used a post-modern perspective which examined the qualitative features of individual social contexts where each culture that was observed was seen as unique and was not expected to have generalizable qualities which had become crucial to the OC research.

Grounded on past studies Jones & James, (1979) developed 35 'a priori concept' (potential dimensions) and categorized them in 04 characteristic. Each concepts consisted of two to seven items and with a three to five scaled responses. Composites were counted by aggregating appropriate item responses. An exploratory Principal Components Analysis (PCA) of 4315 US Navy personnel of different subunits and department were collected by Psychological Climate Questionnaire (PCQ) of 145 items, which produced six underlying dimensions with eigenvalues greater than unity.

Ryder & Southey, (1990) modified the PCQ instrument of Jones & James, (1979), in term of the language of the items to suit the context and was fixed to 7 point Likert scale. Again the same 145 items was segregated to 35 a priori concept which was represented between two and seven items. PCA was applied on the data and result identified 10 dimensions out of which 06 were interpretable.

Study conducted by Davidson, et.al, (2001) and later in fourteen 4/5 star hotels in Australia using the further modified version of the same instrument. The same 35 a priori concept was used by the researcher and each constituent has a loading of 2 items each and on 7-point Likert scale. The PCA analysis followed by varimax rotation identified 59 item loaded on seven underlying dimensions (mentioned in Table 02). This scale named as Tourism & Hospitality Organizational Climate Scale (THOCS) is widely acknowledged and the framework has been used by researchers in different tourism & hospitality settings to measure climate (Manning, et.al,

2004, 2012; Johnston & Spinks, 2013; Johnston, et.al, 2013; Datta & Singh, 2017).

Research Methodology

This study was primarily focused to investigate OC and its dimensions as perceived by the millennial hotel employees. The empirical research was based on primary data. The respondents considered as sample were employees (within 35 years i.e. Millennial) working in the luxury hotels located in India. Data of 378 samples were collected using convenience sampling method and was uploaded in SPSS for analysis.

In this study, THOCS model by Davidson, et.al, (2001) was used to measure the responses of 378 hotel employees. Before uploading the data in SPSS, 08 reverse coded items of OC was recoded. The reliability of the 59 item instrument by Cronbach's Alpha statistic was found 0.942, which is of excellent internal consistency (George & Mallery, 2003).

Hypotheses

H 1a: There is difference in perception of OC amongst millennial hotel employees of different Gender.

H 2a: There is difference in perception of OC amongst millennial hotel employees of different Job Position.

Data Analysis & Interpretation

Descriptive statistic of each item and aggregate scores of the dimension and overall mean and standard deviation of the variables were calculated (Table 01).

Table 01 presents the perception of the employees of millennial generation about their OC. The mean of the 07 dimensions of OC was found 'Leaders Facilitation & Support' (M= 4.055), 'Professional & Organizational Esprit' (M= 4.048), 'Conflict & Ambiguity' (M= 4.063), 'Regulation, Organization & Pressure' (M= 2.975), 'Job Variety, Challenge & Autonomy' (M= 4.050), 'Work Group, Cooperation & Friendliness' (M= 3.891) & 'Job Standards' (M= 4.198).

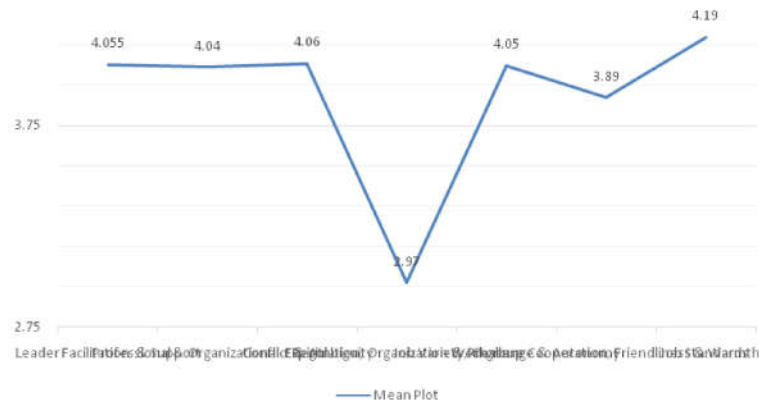
Table 1: Descriptive Statistic of the dependent variables (OC) of 378 samples.

| | | Mean (M) | Standard Deviation (sd) |
|----------------------------------|--|----------|-------------------------|
| Aggregate Organizational Climate | | 3.890 | 0.46 |
| Seven Dimensions of OC | Leaders Facilitation & Support | 4.055 | 0.60 |
| | Professional and Organizational Esprit | 4.048 | 0.56 |
| | Conflict & Ambiguity | 4.063 | 0.53 |
| | Regulation, Organization & Pressure | 2.975 | 0.74 |
| | Job Variety, Challenge & Autonomy | 4.050 | 0.64 |
| | Work Group, Cooperation & Friendliness | 3.891 | 0.61 |
| | Job Standards | 4.198 | 0.58 |

The mean plot (Figure 1) illustrates that the dimension 'Regulation, Organization & Pressure' (M = 2.975) is perceived poorly by the respondents followed by 'Work Group, Cooperation & Friendliness' (M = 3.891) whereas most of the respondents agrees that 'Job Standards' (M = 4.198) exists in the work condition of the hotel industry.

For testing the hypotheses, Analysis of Variance (ANOVA) is the suitable procedure for comparing the means and to understand whether population means are equal. Table 02 presents the ANOVA statistic of:

Figure:1 Mean Plot of the 07 dimensions of Organizational Climate



- Aggregate OC by the different Genders (F= 3.770, $\alpha = 0.053$) and
- Aggregate OC by the different Job Position (F= 3.487, $\alpha = 0.032$)

Table 2: One Way Analysis of Variance (ANOVA) results of the Variables on Organizational Climate at 95% confident level

| Between Groups of | Sum of Square | Degree of Freedom | Mean Square | F Value | Significance α |
|-------------------|---------------|-------------------|-------------|---------|-----------------------|
| Gender | 0.821 | 1 | 0.821 | 3.770 | 0.053 |
| Job Position | 1.551 | 2 | 0.755 | 3.487 | 0.032 |

Which interprets that 'alternate hypothesis' H1a is not accepted & H2a is accepted in the given condition. Thus no differences were found in between the Gender on aggregate OC but significant difference was found

between the Job Position & aggregate OC. To understand which group of job position is more influential, Post Hoc LSD test was carried out.

Table 3: Post Hoc LSD test of Job Position

| Job Position (I) | Job Position (J) | Mean Difference (I-J) | Std. Error | Significant (α) |
|-------------------|-------------------|-----------------------|------------|--------------------------|
| Entry Level | Supervisory Level | -0.121 | .054 | .027 |
| | Managerial Level | -0.137 | .061 | .027 |
| Supervisory Level | Entry Level | 0.121 | .054 | .027 |
| | Managerial Level | -0.015 | .063 | .803 |
| Managerial Level | Entry Level | 0.137 | .061 | .027 |
| | Supervisory Level | 0.015 | .063 | .803 |

Post Hoc LSD test (Table 3) suggest that significant difference about the OC exist between the Entry

Level & Supervisory ($\alpha = .027$) & between entry Level & Managerial ($\alpha = .027$) at 95% significant level.

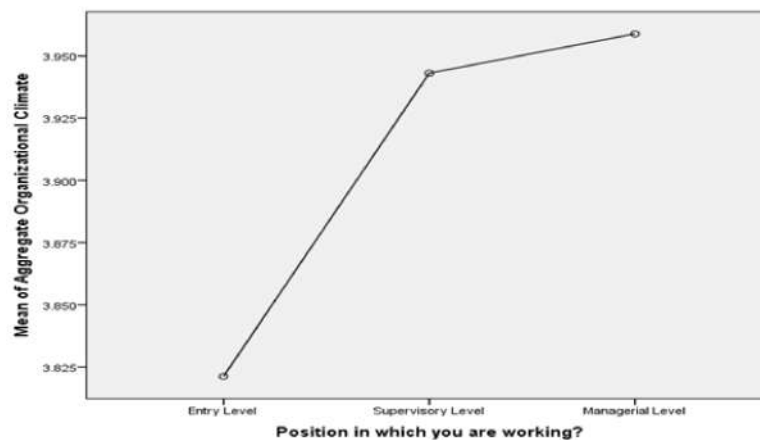
Table 4: Descriptive Statistic of the demographic variables

| Variables | Characteristics | f 378 | % | OC Mean | OC s.d |
|--------------|-----------------|----------|-------|---------|--------|
| Gender | Male | 264 | 69.84 | 3.86 | 0.46 |
| | Female | 114 | 30.15 | 3.96 | 0.47 |
| Job Position | Frontline | 153 | 40.47 | 3.82 | 0.44 |
| | Supervisory | 135 | 35.71 | 3.94 | 0.48 |
| | Managerial | 90 | 23.80 | 3.95 | 0.47 |

The mean score of the demographic variables point out that the Females perceive OC (M = 3.96) slightly

better than the Males (M = 3.86) employees, though they are only 30.1% of the employee strength.

Figure 2: Mean Plot of OC of employees of different Job Position



Descriptive Statistics and Mean plot of different job position (Figure 02) shows that employee of Managerial level different perception of OC (M= 3.94) followed by Supervisors (M= 3.95). Entry Level (M= 3.82).Also majority of the Frontline employees' strength are 40.47 %. This difference of perception at different level raises issues of coordination and control and may lead to dissatisfaction amongst the younger lot. If they fail to adopt to the climate it may lead to high turnover intentions.

Result Discussion and Conclusion

The purpose of this research was to study organizational climate and its dimensions as perceived by the millennial employees of selected premium hotels in India through 59 items of THOCS.

The descriptive statistics point that for the concern hotel employees 'Job Standards' dimension got maximum weightage (M = 4.198) which suggest that the Millennial likes to work in an organization where work is important, they are quality conscious and would like to

go for proper training so that they perform to their best of ability and meet the work standards.

'Conflict & Ambiguity' (M = 4.063) gets second highest weightage which means that the employees acknowledge that they are allowed to complete the work that they start and responsibility is assigned so that individuals have authority within their own area but they not always get the resources for doing the work properly. The job responsibilities of the Indian hotel industry are clearly defined but they always not always given advanced information about changes (policies & procedures) which might affect them. These factors are important for the millennial generation employees as they like climate to be clear and there should not be any ambiguity and conflict in it.

'Leader Facilitation & Support' (M = 4.055) plays a crucial role for a healthy OC. Immediate supervisor is the most important person to influence the perception of the employees. The role of the supervisor as setting high standards, dealing with higher level of managements, exchange ideas & opinion, encourage team work,

provides feedback & to guide the subordinates, similar to the findings of Shah & Jain (2015). The millennial prefer that the supervisors are not always friendly and easy to access which make them less trustworthy for their subordinates which might make the climate less healthy. In our study since this dimension gets a good mean score we can infer that majority of the respondents from hotel industry agreed to the fact that they get good directions and support from their respective leaders. This also emphasizes the role of leader and its influence in creating a health organizational climate.

'Job Variety, Challenge & Autonomy' (M = 4.050) is also perceived as a significant OC dimension. The employees perceive that they have the opportunity to learn & use different skills in their job but still the hotel work lacks variety and there is less opportunity for independent thought & action in hotel job.

The dimension 'Professional & Organizational Esprit' (M = 4.048) is perceived well by the employees. They believe that their hotel has good image plays an important factor and their organization constantly tries to do a better job than its competitor. They realize that it is possible since the discipline is consistently maintained and the hotels objectives are clearly defined. The employees worry that the hotel should emphasize the personal growth & development of its employees. The millennial shows concern for the society and they feel that their organization should also take initiative for the same.

'Work Group, Cooperation & Friendliness' (M = 3.891) is not perceived to be as good as compared to other dimensions by the hotel employees. Though there is a trust within members of the workgroup and friendly atmosphere prevail among the members they feel that there is a friction among the group. This aspect raises issues to team work and cohesiveness amongst the employees and in a typical service industry is must to achieve a better performance not only at individual level but also at organization level. More team building exercise involving cross functional teams is required to create cohesiveness amongst the workgroups.

'Regulation, Organization & Pressure' (M = 2.975) dimension has a serious issue and vastly impact the hotel's OC. The employees perceive that the excessive rules and regulation interfere the performance of the employees. Employees do not receive proper communication of important issues and policy related matter. Millennials believe that the management and their

supervisors should trust their abilities and should show confidence on their subordinates. Excessive cross questioning causes disturbance on smooth conduct of work. This finding again emphasizes the role of autonomy, creativity and freedom to motivate millennials which are typical characteristics of this generation.

Gender shows insignificant difference with OC ($F = 3.770$, $\alpha = 0.053$) which is contrary to the findings of Al-Khasawneh, (2013). However, descriptive statistics reveals that the females employees perceive OC (M=3.96) better than the males (M=3.86) which contrasts the findings of Al-Khasawneh, (2013). Though the number of women (30.15% female respondents) is less in hospitality industry, off late they are doing well in their career (Datta & Singh, 2017). Most of the females hotel employees prefer working in areas like Front Office where there is less physical labour and working conditions are better than other operational departments (Torres, 2013), which leads them to perceive OC better.

Job Positions illustrates significant differences with OC ($F = 3.487$, $\alpha = 0.032$) which is similar to the findings of Putter, (2010) and Zhang & Liu, (2010). The findings specify that higher position employees perceive OC more favourably than employees in lower levels; Managerial Level (M=3.95) have a more affirmative climate perception than Supervisory level (M=3.94), likewise Supervisory levels perceives OC more positive than Entry Level (M=3.82). This approves what was found in earlier studies by Putter, (2010) and Zhang & Liu, (2010). Millennial managerial level employees perceive OC highest, which may be because when one reaches senior level they get empowerment, responsibility, more benefits and a secure position which is in accordance to the likings of this generation (Eisner, 2005). In hotel industry there are division of labour mainly Senior and Junior, there are lot of attractiveness of package and benefits for the senior positions which the juniors are deprived, also the relation between the two divisions are always not pleasant and seniors portray autocratic approaches (Sandilyan, et. al., 2011). This is contrary to the ideologies of the young Y-generation employees who believes equality in workplace regulation, healthy relationships with supervisors and conservative mindset rules are made to be broken and they do not like to do anything unless they themselves are convinced (Eisner, 2005; Farrell & Hurt, 2014). Millennials are not hesitant to move to another job since they know that there are

other job options if they are not satisfied with the work environment (Pendergast, 2010).

The study establish important of having well defined job standards and role of leaders facilitation & support to create positive perception of organizational climate. The Millennial being more independent and self-driven, believe in less regulation and pressure, instead they believe in having autonomy and seek variety in whatever they do. They would like to take up challenging assignments and meet the deadlines, provided they get right direction & support.

Limitations and future research

The present study is based on samples of selected employees of premium hotels in India. The findings presented here may not be generalizable to other settings owing to limitations of sample characteristics & size. Further studies with more detailed and comprehensive OC scale with larger sample size and different organizational characteristic is suggested for better understanding of the concept in Indian hotel industry.

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Past Students as Present Resources: Imperatives of Alumni Association

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Abstract

Alumni are by nature keen to remain connected with the educational institutions from which they pass out. It is natural to develop a sense of affiliation if you live in the company of someone for a reasonable period of time. Students own a treasure of reminiscences of the days of studies as they pass a good amount of time with the educational institutions they have studied from. They wish to cherish the memories they had in the days of school, college and university. If alumni get virtuous treatment in terms of learning, moral and emotional support, they develop a strong sense of belonging towards the institution. If alumni get poor treatment in terms of learning, moral and emotional support as students, they evade developing a strong sense of belonging towards the institution. The relationship between the alumni and alma mater is full of reciprocity. If both play their role in an earnest manner the relationship gets fast and will remain unbroken for good.

Key Words: Alumni, Alma mater, Relationship, Interaction, support

Alumni are by nature keen to remain connected with the educational institutions from which they pass out. It is natural to develop a sense of affiliation if you live in the company of someone for a reasonable period of time. Students own a treasure of reminiscences of the days of studies as they pass a good amount of time with the educational institutions they have studied from. They wish to cherish the memories they had in the days of school, college and university. They love to foster the relationship they made with their alma mater. An alumni association can be instrumental in nurturing and relishing the interminable relationship between alumni and their alma mater.

Defining alumni association

An Alumni Association (AA) can be defined as a group of passed out students who still hold very strong sentiments of linkages with their alma mater and wish to sustain a never ending relationship. An alumni association can have well chalked out vision, mission and objective. For example the vision statement of an alumni association can read as follows: 'The vision of the association is to see that an impressive image about the parent institute, the alma mater is built in the eyes of the public and society and the cause of its existence is justified.' Similarly, mission statement of the alumni association is equally important. For example, the content of a mission statement of an alumni association can be as follows: 'To attract the past students and keep them glued to the institution for the betterment of both the alumni and alma mater.' Finally, an alumni association cannot be without certain objectives.

Questions have often been asked: "Are goals for alumni relations necessary?" The following may be the objective of an AA: 'The basic objective of an alumni association is to be performing in line with the mission of the association and assists in advancing the same.'

Need for Alumni Association

Formation of alumni association is an activity which benefits both the institutions as well as the past students. The need for the formation of alumni association can be explained in the following ways:

- An alumnus is an ambassador of an educational institution. S/he carries the image of his or her institution in the mind and heart. Whether the alumnus makes or mars the image of the alma mater in others eyes will virtuously hinge upon what kind of experiences s/he had with the alma mater.
- There is a requirement of keeping an AA by the accreditation agencies as NAAC, NBA etc. for the purpose of accrediting a higher educational institution.
- An alumni association works as a link between alma mater and the community.
- It helps in accomplishing the objectives of the parent organization meaningfully.
- Alumni association can also be a tool of bringing about a political change in the mind set and outlook of the college students.

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The alma mater can get benefited in numerous ways. Alumni can support the institution in terms of:

Expertise and learning:

1. They can be called to deliver the talk, for writing cases, for conducting meaningful industrial visits and so on.
2. They can be appointed on various administrative and academic committees as Governing Boards, Selection Committees, Academic Council, Board of Studies, Research Committees and so on. Their experience with industry and exposure to the external world will be of immense use in reducing the gap between industry and academia and enhancing the employability of the students.

Financial support:

1. They can sponsor the academic events as conferences, seminars, conventions etc.
2. They can help in strengthening infrastructural facilities as building, transport, office equipment etc.
3. They can sponsor gold medals and scholarships for meritorious students
4. The support can be in terms of internship, career mentors, arrange a venue for speakers, gold medals, scholarships and fellowships.
5. They can sponsor events related to games and sports and extracurricular activities
6. They can fund the research projects
7. Support can be extended in name of chairs to sustain certain teaching positions and teaching funds to meet dire funding needs
8. Alumni can well represent their alma mater in proving its role and responsibility towards society by taking CSR initiatives
9. Alumni can also be a strong backbone of financing and supporting infrastructure and support services in an institution such as libraries.

Prerequisites for alumni association:

The following requisites need to be obtained before creating an alumni association:

1. A strong sense of willingness and enthusiasm on the part of the organizers;

2. Enormous amount of interest on the part of the passing out students to get involved in the activities of an alumni association and a desperate desire to keep it live;
3. A strong leadership in name of a person who is longing for working with the institution, who can spend time and energy, who is zealous and possesses a strong desire to inspire and engage the alumni.

Attending alumni with consideration

Human beings are vulnerable in nature and they need to be handled with great care. The relationship between alumni and their alma mater is very delicate and requires to be managed prudently. Alumni must have a feeling of being treated with courtesy. The institution must also try to fulfil the intellectual needs of the alumni. At the same time, they should hold a strong sense of obligation towards the alma mater. Communication plays a very crucial role in getting the alumni connected with the association. There needs to be a consistent communication in terms of letters, e-mails, telephones, cell phones, social networking, video conferencing, Skype and face to face meetings. Any unnoticed communication gap can make this relationship acrimonious.

There may be the following responsibilities of an alumni association. The Association can discharge these responsibilities in electronic, print and face to face manner:

- Keeping the track record of alumni
- Maintaining sustained communication with the pass out students so as to keep them informed about the state of affairs at their alma mater
- Sustaining the interest of the alumni in the association's activities and events
- Ensuring the participation of alumni in the life of the alma mater
- Exploring and providing the meaningful opportunities for alumni to plough back in the institution for its future growth in terms of body and soul.

Besides, an alumni association can perform the following:

- One of the significant functions of an alumni association is to organise alumni meets/retreats. The

alumni meet can be assigned a title. Harvard University calls its alumni meet 'Global Networking Night'. Global networking night provides the alumni with an opportunity of getting mixed and mingled. It is also called as "perfect atmosphere" meant for meeting interesting alumni across the globe.

- The alumni association maintains a database containing the details related to the members and supporters. The database can be accessed as and when data and information are required.
- Publication of a newsletter as IIMA publishes 'IIMA Alumnus'. The publication may contain advertisements. This may help in generating revenues.
- Having chapters across the country or globe to augment the proximity with the alumni round the world. These chapters can be headed by coordinators to oversee their overall functioning.
- Alumni association can be a strong source of academic freedom for a beleaguered institution. The recent example of the St. Stephens College of the University of Delhi is a significant case in point in this context.

Establishment

Alumni associations have quite often become confined to themselves."There seemsto be little known about the organizationand administration of alumniactivities." As a matter of fact,an alumni association can be a formal as well as informal entity. A formal association can have mission, vision and objectives and a team of persons (office bearers) to accomplish these objectives. Besides, it may have subscriptions and probably a constitution. If the number of alumni is not very large, an informal association can also work. Whether the association is formal or informal it does not make much difference if the leader is charismatic and can very well attract alumni and motivates them to be the part of the association.

By-laws need to be prepared so as to ensure the systematic functioning of the alumni association. The adopted by-laws are required to be communicated to all the formal touch points as parent institution, chapters etc. The by-laws can be related to the following:

- Objectives
- Membership

- Officers and their powers and duties
- Committees and their duties and functions
- Meetings and their time schedules
- Programs and their timings
- Membership fee
- Members and their privileges
- Regulation of funds
- Management of operations

The constitution of an alumni association can contain various articles in name of name/nomenclature/ vision/mission/objective, membership, leadership, meetings, elections, vacancies, amendments and territorial jurisdiction. An alumni association can entail the positions for office bears as president, vice president, secretary, treasure, chapter coordinator and so on. There may be various committees like executive committee, alumni relations committee and so on.

Sustainability

An alumni association can well be sustained if there are consistent sources of funding in name of membership fee, donations, sponsorship etc. alumni associations can be alma mater driven and alumni driven. The alumni driven associations are more active as the onus of managing things lies on the shoulders of alumni. Such associations can be self-reliant in the lack of financial support from the parent organization. The other sources of funding can be private public partnership, project grants and the grants from the government. Connections of alumni with NGOs and industry can also help in mobilising funds.

Need for an effective website

Alumni associations have emerged as the formidable social media with multiple benefits accruing to both the organisation as well as its alumnus. Hence, in the present day scenario when everything is getting 'e', an alumni association must have its own website/portal so as to facilitate alumni to remain consistently in touch with it. The alumni portal needs to be highly interactive so as to enable the alumni to remain lively connected.

The Website can contain the following features:

- About Alumni Association

- Letter from Vice Chancellor/President
- Alumni Login
- Upcoming events
- Fundraising events
- Career and learning
- Support the alma mater (How can I?)
 - The University
 - Affiliated/constituent colleges
 - Faculty/Schools and Departments
 - Sport and other extracurricular activities
 - Students
 - Posts
 - Infrastructural facilities
- Interaction
 - Register -New contact details
 - Find-A friend
 - Get- My alumni number
 - Become- An alumni card partner
 - Buy- The merchandise
- Most viewed

IIMA possesses its own alumni portal named as IIMA Alumni Portal. The purposes of designing the portal are listed as follows (IIMA Alumnus 44 number 3, October 2012):

- Stay connected with your batch mates and other IIMA alumni friends
- Share your thoughts and moments via social networking
- Get featured among the IIMA Alumni community and the rest of the world
- Engage with communities that matter to you via enhanced discussion forums or special interest groups
- Stay up-to-date with what's happening at the Institute via campus news
- Keep up with IIMA and chapter activities and alumni events

- Keep informed about the events alumni locations through mobile applications
- Be a mentor or get a mentor
- Be informed about the IIMA Alumni authored books

IIMA Alumni portal includes the following features:

- Alumni Directory
- News and Announcements
- Featured Alumni
- Social Networking
- Events and Reunions
- Mentorship Programmes
- Discussion Forum
- Chapter News and Events
- Job Corner
- Mobile Application
- Integration with:
 - Facebook
 - Twitter
 - LinkedIn
- On line IIMA Merchandise
- Connect with students
- IIMA Alumnus online
- Better Privacy Settings

IIM, Calcutta alumni portal contains the following features:

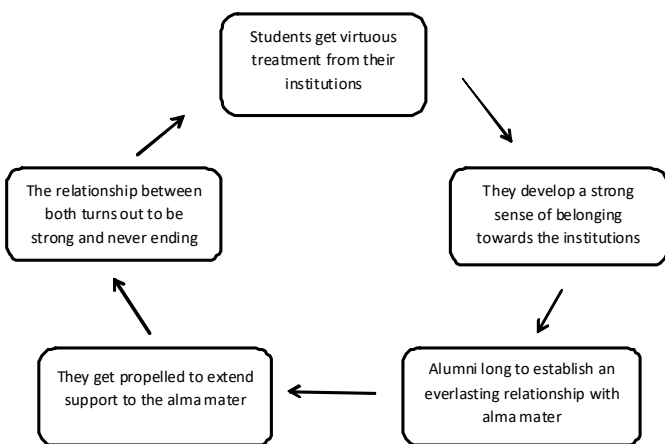
- Know your alumni
- Faculty in News
- News from IIMC
- Connect
- Volunteer
- Give
- Alumni Magazine
- Distinguished Alumnus Award
- Dashboard
- Alumni News
- My Chapter

- Buy Merchandise
- Make a gift
- Log in

Reciprocal Outlook

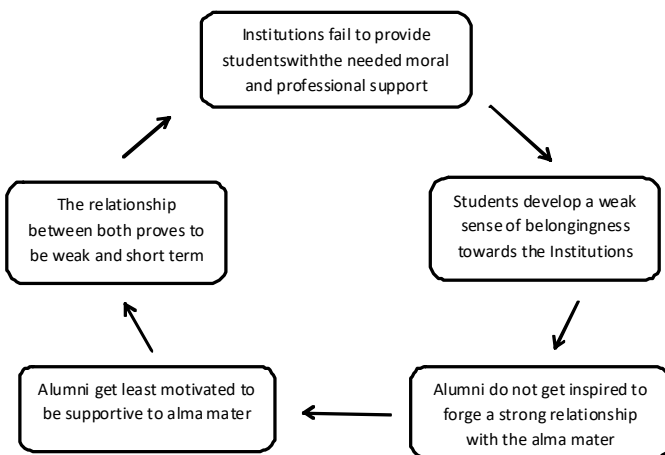
The association between alumni and almamater can either be strong or weak. Both the phenomenon can be learnt with the help of the following figures in a lucid manner:

Virtuous Cycle (YOU + I = WE)



Alumni get virtuous treatment in terms of learning, moral and emotional support. They develop a strong sense of belonging towards the institution. They long to forge an everlasting relationship with their alma mater. Alumni wish to contribute in terms of energy, time and money for the development of the alma mater. Such kind of gesture on the part of alumni and alma mater reinforces both to ensure an animate and long relationship between them.

Vicious Circle (WE - YOU = I)



Alumni get poor treatment in terms of learning, moral and emotional support as students. They evade developing a strong sense of belonging towards the institution. They get unwilling to forge an everlasting relationship with their alma mater. They get motivated to avoid contributing in terms of energy, time and money for the development of the alma mater. Such kind of gesture on the part of alumni and alma mater reinforces both not to ensure a long living relationship between them.

Instance signifying the phenomenon of vicious circle

The following incident endorses the fact that how the bond between alumni and their alma mater gets broken if the alma mater fails in helping its alumni in realising their dreams. A student after completing his post-graduation in Business Administration passed out from a Business School. As he was jobless his first priority was to get a suitable job. He started searching for the job. He tried his level best to find a job but in vain. At last, he made up his mind to write to the Director of the business school from which he passed out. He wrote, "Sir, with due regards, this is to mention that after putting in lot of efforts, I failed to get a suitable job for me. I feel that I am short of the employability owing to not possessing the skills and qualities needed to be a manager. Kindly refund my fee as your school failed to make me employable and I could not accomplish the mission of mine to get a suitable job in the market". On receiving the communication the Director got stunned and called a meeting of the faculty straightaway. He shared the contents of the mail with the members and tried to find out the way to handle the issue. It was also learnt during the meeting that the information bulletin of the school categorically mentions that the fee once deposited cannot be refunded. After lot of brainstorming the Director wrote back to the students that there is no provision to refund the fee but we can retrain you.

The morale of the story is that if an educational institution is not competent enough to provide its students with jobs, the basic purpose of its being in existence gets defeated. No student after passing out can afford to be jobless as the mission of his or her life remains unaccomplished. Henceforth, the association between alumni and alma mater gets debilitated as the alumni do not long to be maintaining anymore relationship with their alma mater.

Why does an alumni association fail?

The following reasons appear to be responsible for the lapse of an alumni association:

- Top management has a lukewarm attitude towards AA
- There is lack of coordination among various components of alma mater and alumni association
- The engagement of all the alumni across the institution is not ensured
- The alumni activities are poorly publicised and promoted
- Some of the popular programs get aborted in between as they do not have either proper funding or whole hearted support from the leaders
- Inbuilt conflict in objectives as fund raising and alumni involvement

How to improve the functioning of an alumni association?

The following suggestive measures can be taken into consideration to improve upon the functioning of an alumni association:

- Put in whole hearted efforts;
- Have a strong sense of commitment, care and cautiousness;
- Go by the vision, mission and objective;
- Be quality conscious at the time of planning and designing the programs;
- Ensure having the programs that are of interest to all the alumni;
- Do not forget to utilize the knowledge and expertise of the alumni in planning out the activities of the association;
- Go on updating the information about the association without fail;
- Maintain and effective feedback and follow up mechanism for the betterment of the things;
- Treat the alumni in a courteous manner.

Epilogue

In fine, it can be said that it needs a great deal of commitment in name of energy, time and attentiveness.

There should always be a close vigil on the accomplishment of vision, mission and objective. There ought to be a free flow of information between alumni and the administration of alumni association. The practices for managing an alumni association can be improved with the help of quality benchmarks adopted in the world-class institutions. The relationship between the alumni and alma mater is full of reciprocity. If both play their role in an earnest manner the relationship gets fast and will remain unbroken for good. The following lines of poetry encapsulate the whole idea.

*"Challengesathteresayabankemanziltak,
Tukarvanhai to gardogubar hum bhihain."*

The poetry endorses the fact that the association between alumni and alma mater is natural and never ending. They walk hand in hand. If alma mater is flower the alumni are its fragrance. If alumni are torch bearers the alma mater is the source of fire or light.

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Use of Natural Resources for Human Development and its Impact on Society

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Abstract

Natural resources, comprises renewable and non-renewable are a part of the real treasure of nations. They contribute towards fiscal revenue, income, and poverty reduction. Owing to this fundamental importance of natural resources, they must be managed sustainably. Government plays the crucial role in putting into place guidelines that ensure that resources subsidize to the long-term economic development especially in a predominantly agrarian economy such as India. India is being highly resource dependent so propounding understanding of the sources and solutions to the potential problem of natural resources is highly relevant. Better management of natural resources will not automatically lead to human development, what is needed are conducive political, institutional and governance frameworks, which can turn the so called, resource curse into an opportunity. This paper firstly explores natural resources available, their contribution to country's economy, venture by government in each and sustainable future is presented. But there are several issues for turning resource rents into driver of development so those issues are considered and at the end it presents a number of recommendations which can enable the alteration of negative environmental trends into improved opportunities for income generation, economic growth, stability and resilience to natural hazards.

Keywords: Natural resources, Poverty, Economy, Human development.

1. Introduction:

The human development paradigm introduced in the early 1990s sought to shift focus from national income as the only indicator of development to expanding the choices people have. The concept of human development was introduced by UNDP in 1990 in the first global Human Development Report. In India, this

coincided with a period of rapid growth and rising inequalities, where a need was felt to reinforce the idea that people matter, and India welcomed the concept of human development. Today, India is acknowledged globally as having the largest body of work on human development reporting at the sub national levels in the form of State Human Development Reports (SHDRs) and District Human Development Reports (DHDRs).

Table 1: Profile by Selected Indicators

| Indicator | Value |
|---------------------------------------|--|
| Human Development Index (and ranking) | 0.59 (127th) |
| Human Poverty Index (and ranking) | 33.1 (53rd) |
| Environmental Sustainability Index | 41.6 (116th) |
| GHG Emissions | 1995: 1 tones CO ₂ per capita |
| GDP and GDP per capita | \$ 2,664 trillion, \$ 2.600 |

Source: CIA 2003, UNDP 2003, Yale University and Columbia University 2002, Zittel and Treber 2003

The life expectancy of total population 63 years (male: 63 years, female: 64 years) (2003 EST.) (World Bank Group 2004, CIA 2003)

With a Human development index (HDI) of 0.59 in 2001, India is ranked 127th out of 175 countries classified (UNDP 2003). Natural resources are for the most part characterized as all those things given by nature on, above and under the surface of the earth. In this expansive sense characteristic assets incorporate land, water, forests, fisheries and creatures, mineral ores and sources of energy like coal, petroleum, gas and uranium,

and so on. Natural resources can be either renewable, (for example, land, water resources and forest) or non-renewable, including, for instance, fossil fuel and mineral deposits. Natural capital is renewable if the asset can restock itself by natural processes. On the off chance that the rate of extraction regards the impediments of regenerative limit, renewable regular capital can give yields over an endless timeframe. Non-renewable capital

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can't recover at a rate that is practically identical to the rate of extraction. Thusly the extraction of non-renewable assets is fundamentally limited.

Natural resources can generate and sustain growth, in this way lessening poverty and supporting the accomplishment of the human development objectives. It is therefore urgent to improve natural resource management for long haul financial development, i.e. a pace and pattern of development that improves the capacity of poor women and men to participate in, contribute to and benefit from growth.

The overall objective of the study is to understand natural resource development and management leading to sustainable and equitable economic development and growth in India. It also seeks to identify options for harmonizing interventions that are being carried out by agencies in the area of natural resource development and management. The specific objectives are:

- To get a clear picture of the available natural resources in India.
- To identify the roles of natural resources in economic growth and then to human development.
- Critical issues in managing these natural resources and its impact on society.
- To identify critical institutional reforms necessary for the more effective development and management of the region's natural resources;
- To develop an analytical framework that can help identify and prioritize high-return investments in physical and institutional infrastructure based on an inclusive and participatory approach.

2. Research Methodology: For gaining insight for developing an approach to the problem, exploratory research design is used. This paper is based on reviews of various secondary sources.

3. Natural Resources: All major natural resource sectors are examined which have a basic part to play in human development. They are: water resources, land resources, forest resources, mineral resources, fisheries, mountains, biodiversity and energy resources.

3.1 Water Resources: Water assets are sources of water that are conceivably helpful. Employments of water incorporate agricultural, industrial, household, recreational

and environmental activities. The dominant part of human uses require fresh water. 97% of the water on the Earth is salt water and just three percent is fresh water; marginally more than 66% of this is solidified in ice sheets and polar ice caps. The staying unfrozen freshwater is discovered for the most part as groundwater, with just a little division show over the ground or in the air. Water, a crucial natural resource and valuable commodity, is essential for variety of purposes, viz., drinking, farming, power generation, transportation and waste disposal. In chemical processes industrial water is used as a reaction medium, a solvent, a scrubbing medium and a heat transfer agent. As a source of life for man, plants and creatures, it is irreplaceable and can't be supplanted by whatever other solvent. Fresh water is a renewable asset, yet the world's supply of groundwater is relentlessly diminishing. The structure for allotting water assets to water users (where such a framework exists) is known as water rights.

3.1.1 Issues of Excessive utilization of Ground Water:

- a) *Lowering of water table:* Unnecessary utilization of ground water brought about fast exhaustion of ground water table prompting to drying of wells and sharp decrease in future agricultural production.
- b) *Ground subsidence:* It brings about sinking of overlying land surface which may harm buildings, cause breaks in pipes, invert the stream of sewers and canals and tidal flooding.
- c) *Water logging:* Excessive irrigation with harsh water raises the water table prompting to water logging and salinity issues.

3.1.2 Programmes and Projects: Implementation of Rural Sanitation Initiatives for Ganga Rejuvenation in Jharkhand (2016 - 2019): Millions of people in India rely on the Ganga for their survival and well-being. A lifeline for almost 45 percent of the population, the river today suffers from overuse and pollution. This partnership between the Ministry of Water Resources, River Development and Ganga Rejuvenation, the Government of Jharkhand and the United Nations Development Programme aiming at reducing contamination and improving the health and quality of life for 46,100 households in 78 villages in Jharkhand. The rejuvenation of the river is the main priority for the Government of India, and through the National Mission for Clean Ganga

it seeks to address a range of challenges, comprising waste water and solid waste management, industrial effluence and river front development.

3.2 Land Resources: In terms of area India positions seventh in the world with a total area of 32, 87.263 sq. km. (32.87 crore hectare). It represents 2.42% of total area of the world. In absolute terms India is truly a big nation. However, land man proportion is not great due to the immense population size. The utilization statistics accessible are for about 92.5% of the total area. Around 162 million hectare of land is under agribusiness cover. Almost 5% of the land falls under decrepit land. Around 46 million hectare is under real forest as appeared by satellites. A piece of land is not being used. This waste land incorporates arid, rocky and sandy deserts. Urban areas and towns which utilize much land must develop vertically as opposed to horizontally. The land is additionally required for industry, commerce, transport and recreation. Since total land is a fixed asset, we should try endeavors for integrated land use planning.

According to Agricultural Census, the area operated by large holdings (10 hectares and above) has declined and area operated under marginal holdings (less than one hectare) has increased. This indicates that land is being fragmented.

3.2.1 Land Degradation: Land is an essential part of the life support system. Unfortunately land has been overused throughout the hundreds of years. Because of exploding populace, land is utilized progressively which postures dangers to its productivity.

Reckless use harms soil that outcomes into (i) diminishment in nature of wood land, prairie, cropland, (ii) soil disintegration, (iii) deforestation, (iv) degradation of water sheds and catchments, (v) Due to demographic pressures land is under stress. Likewise because of sprawl in agribusiness, industry and urbanization, cropland is degraded and losing fast fertile top soil.

3.2.2 Land management: The significance of integrated planning and management of land assets gets from the phenomenal population pressures and requests of society on land, water and other natural resources. Land use planning can't be taken in isolation since it has direct linkages to environment, poverty, financial advancement, food security and agricultural activities. Endeavors to expand production through intensification and technology developments have now and again

prompted to expanding environmental and health hazards. Changes in Land Use and land cover are quickening. However, technological advances have gained conceivable impressive ground in developing data bases on land resources and land use, in processing and incorporating data from numerous sources (environmental, social and economic) and in developing more effective analysis and planning tools.

More recently endeavors made in this direction consider economic, social, environmental and cultural aspects of land use. However, more extensive coordination and cooperation at the national, ecosystem and the community levels should be empowered.

There is a growing awareness to the need to enhance land tenure institutions. Land tenure reform and development are the part of the procedure of powerful decentralization. Changes in land tenure may modify the conduct of people and local communities prompting to land degradation, for instance overgrazing following settlements of migrants, and over- exploitation when communally managed lands become public lands with free access.

A large portion of the land in India is undulating and not suitable for intensive farming. . Land use based Livestock cultivating (forage based) is the genuine response for this land management system. This natural land management system is generally profitable. This sort of farming outperforms even when contrasted with Horticulture, Plantation and Cash crop farming.

Land, which is the most valuable heritage and physical base of bio-mass manufacturing of life supporting systems is limited, and along these lines a non-renewable endowment. India's share of land is fixed at around 329 m. ha., which is heterogeneous in various parts and locales of the nation with a positive set up, capacities and appropriateness for various land assets. Protection of land assets can elevate sound land use to coordinate with the land capabilities or suitability and to start correct land assets, development/ suitability in the nation.

Rural poverty to a great extent exists among the landless and marginal farmers. Access to land, therefore, remains a key component of the anti-poverty strategy in rural areas. The program of action for land reform in the Ninth Five Year Plan will incorporate the following: identification and in addition redistribution of ceiling surplus land; updating of land records all the time;

tenure reforms to record the rights of tenants and tenant farmers; consolidation of holdings; counteractive action of the alienation of tribal lands; giving access to wastelands and wastelands; ; leasing-in and leasing-out of land will be permitted within the ceiling limits; and inclination to women in the distribution of ceiling surplus land and lawful arrangements for ensuring their rights ashore.

3.2.3 Programmes and Projects: Sustainable Land and Ecosystem Management in Shifting

Cultivation Areas of Nagaland for Ecological and Livelihood Security (June 2009 - December 2015); This project is in partnership with the government of Nagaland, funded by Global Environment Facility, aims to address land degradation in shifting cultivation locations in three districts of Nagaland through participatory planning, generating awareness, building institutions and supporting integrated farm development that enable sustainable land and ecological management.

3.3 Forest Resources

According to the Forest Survey of India, forest and tree cover spreads across 78.92 million hectares and constitutes 24.01% of the geographical area of the country. There has been an increase in forest cover by 5,871 sq. km compared to 2011 assessment by Forest Survey of India; but there has been slight decline in moderately dense, and increase in open forest category. There has been a decline in growing stock of the country by 389 cu. m between 2011 and 2013, which suggests a decline in quality of forest despite the increase in overall increase in forest and tree cover.

India's forest cover in 2007 was 69.09 million hectare which is 21.02 per cent of the geographical area. Of this, 8.35 million hectare is very dense forest, 31.90 million hectare is moderately dense forest and the rest 28.84 million hectare is open forest.

The per capita forest in India (0.5 hectare) is much less than that in the world (1.9 hectares). According to the National Policy on Forests (1988), one-third (33%) of the country's area should be covered by forests in order to maintain ecological balance.

3.3.1 Uses of Forests: Forest are used for following purposes; Commercial and Ecological uses, Regulation of climate, Reducing global warming, Soil preservation, Regulation of hydrological cycle, Medicinal value, source of Oils, Food products, Desert vegetation, Shelter for

tribal people, Pollution moderators and also have aesthetic value.

3.3.2 Over Exploitation of Forest Resources: is due to the following causes;

- a) Commercial Demand
- b) Raw material for industrial use
- c) Development Projects
- d) Growing Food Demands
- e) Fuel Requirement

3.3.3 Effects of overexploitation: overexploitation of forests is responsible for soil erosion, loss of wildlife and biodiversity, change in landscape, wind direction, floods, droughts, global warming, upsets the delicate balance of nutrients, gases, symbiotic relationship between man and plants, social destabilization, eco- destruction and massive deforestation. The snow line of Himalayas is constantly receding, an extremely serious phenomenon with expansive outcomes.

3.3.4 Programmes and Projects: A UNDP partnership with the Government of Madhya Pradesh, funded by Global Environment Facility has initiated Integrated Land and Ecosystem Management to Combat Land Degradation and Deforestation in Madhya Pradesh (January 2010 - March 2016); Despite of having watershed development over the last decade, unsustainable land management practices have been both main reason and consequence of the livelihoods' crisis of tribal and rural communities in Madhya Pradesh. The project, in partnership with the Madhya Pradesh Forest Department, seeks to eliminate barriers for promoting sustainable rural livelihoods, and provided a broader range of livelihood options for the tribal/rural poor. This has resulted into: the Government of Madhya Pradesh and UNDP helped in restoring over 14,000 hectares of degraded bamboo forests reducing soil erosion between 2010 and 2016, Incomes of local communities raised by 40 percent and improved conservation and management of forests through increased community involvement.

3.4 Mineral Resources

The term mineral resources refers to a wide variety of materials obtained from earth. Minerals are naturally occurring inorganic, crystalline solids having a definite chemical composition and characteristic physical properties.

3.4.1 Categories of Minerals:

- Non-metallic minerals, e.g., graphite, diamond, quartz, feldspar.
- Metallic minerals, e.g., bauxite, laterite, haematite etc.
- Energy generating minerals. Coal, oil and natural gas.

Minerals are sometimes classified as critical and strategic. Critical minerals are essential for the economy of a nation, e.g., Fe, Al, Cu, Au etc. Strategic minerals are required for the defence of a country, e.g., Cr, Co, Pt, Mn.

3.4.2 Uses and Exploitation of Mineral Resources: Minerals find extensive use in domestic, agricultural, industrial and commercial sectors and thus form a very important part of a nation's economy. The main uses of minerals are:

Table: 2 major uses of some minerals

| Metallic minerals | Major uses |
|------------------------------|--|
| Iron | Heavy machinery, steel production and means of transportation |
| Aluminium | Packaging food items, transportation, utensils, electronics |
| Chromium | For making high strength alloys and in textile and tanning industries |
| Copper | Electric and electronic goods, cables and vessels |
| Lead | Leaded gasoline, car batteries, paints, ammunition |
| Manganese | For making high strength, heat resistant steel alloys |
| Platinum group | Use in automobiles, catalytic converters, electronics, medicinal uses |
| Gold | Ornaments medicinal use, electronics and in aerospace |
| Silver | Photography, electronics and jewellery |
| Non-metallic minerals | |
| Silicate minerals | Sand and gravel for construction, bricks, pavings etc. |
| Limestone | Used for concrete, building stone, in agriculture for neutralizing acidic soils, used in cement industry |
| Potash, phosphorite | Used as fertilizers |
| Sulphur pyrites | Used in medicines, car batteries and in industries |

The reserves of metals and the technical know-how to extract them have been the key components in deciding the country's overall prosperity. Out of different metals, the one utilized as a part of most extreme amount is iron and steel (740 million metric tons yearly) trailed by manganese, copper, chromium, aluminum and nickel. The significant world reserves of a large portion of the minerals are in USA, Canada, South Africa, Australia and CIS nations.

3.4.3 Environmental Problems of Mineral Extraction: The impacts of excessive mineral extraction and utilization are drastically serious which may harm the whole biosphere, quickly exhaust high grade mineral deposits, cause wastage and dissemination of mineral wealth. Ecological concern emerges from the effect of extraction and processing of these minerals amid mining and refining and so forth.

3.4.3.1 Indian Scenario: India is the producer of 84 minerals, the yearly estimation of which is Rs. 50,000 crores. Mining responsible for around 10% of the world's

energy consumption. Mining has made a portion of the biggest natural catastrophe zones on the planet. Six noteworthy mines in India creating serious issues are recorded beneath:

- Jaduguda uranium mine, Jharkhand: Exposed local people to radioactive hazards.
- Jharia coal mines, Jharkhand: Underground fire leading to land subsidence and forced displacement of people.
- Sukinda chromite mines, Orissa: Seepage of Cr (VI) into river. Chromium is highly toxic and carcinogenic.
- Kudremukh iron ore mine, Karnataka: Causes river pollution and is a threat to biodiversity.
- East coast bauxite mine, Orissa: Land encroachment and issue of rehabilitation unsettled people.
- North-eastern coal fields, Assam: Very high sulphur contamination of ground water.

3.4.3.2 Problems of Mining: Mining is done to extract minerals from deep deposits in soil by sub-surface mining or from shallow deposits by surface mining. The former method is more destructive, dangerous and expensive involving risks of occupational hazards and accidents.

- a) Soil damage during surface mining is inevitable as it leads to loss of grazing pastures and fertile land, soil erosion, sedimentation, damage to flora and fauna. Open cast coal mining alone eroded 2,00,000 hectare of fertile land.
- b) Underground mining causes subsidence of land which results in tilting of buildings, cracks in houses, buckling of roads and bending of railway tracks.
- c) Mining disturbs the natural hydrological cycle. Acid mine drainage from sulphur bearing minerals leaches toxic metals to ground water.
- d) Cyanide solution from gold mining severely pollutes surface water.
- e) Smelting results in emission of particulates, NOX, SO₂, CO₂ thereby causing global warming, acid rain and climatic changes.
- f) Dust and noise pollution, is caused during loading, crushing and drilling operations.
- g) Most of the miners suffer from respiratory and skin diseases due to constant exposure to the suspended particulates and toxicants.
- h) Ecological damage: Mining leads to erosion of natural biodiversity.
- i) Mining displaces people from their resource base.

3.3.5 Following steps may be adopted to conserve mineral resources:

- a) Economy in the use of mineral resources.
- b) Making finished products to last longer.
- c) Use of less precious substitutes.
- d) Renovation, recycling and reuse of metals.
- e) Applying effective techniques to recover materials from minerals.
- f) Search of new earth's treasures.
- g) Protection of existing mineral deposits.

3.5 Fisheries

Fisheries play an imperative part in the Indian economy and supports around 6.0 million full time or

occasional fishermen. It keeps on being a thrust area of India's development programs because of its crucial commitments to employment generation, food security and foreign exchange earnings. Fish production in India achieved a level of around 5.40 million tons in 1998 and the nation is presently 6th biggest maker of fish on the planet. Out of this, 2.90 million tons is from the marine segment. The profit from export of fish and fishery items crossed US\$1.30 billion in 1998. While fish production from 0-50 m. zone has been harvested to maximum sustainable yield levels, the zone beyond 50-200 m and 200-500 m has been harvested up to about 50% levels.

The oceanic resources are harvested up to 10% of the potential. In the Indian Ocean context, the over-exploitation and obliteration of eco- system and habitat is not alarming as in some different parts of the World. The recent survey of the state of World fishery resources has uncovered that while the Atlantic Ocean and in various parts of the Pacific Ocean the fishery resources are generally over- exploited, in the Indian Ocean fish production is on the expansion with relative stability and healthy condition of fish stocks. Different measures are being attempted to advance and rationalise the fishing fleet and in addition the fishing effort by area-wise organization of various classifications of fishing vessels, regulation of fishing, gear and mesh size, uniform closed fishing season, development of deep sea fishing including diversified fishing, replenishment of fish stocks by undertaking ventures on sea ranching, setting up of artificial reef, and so on.

3.5.1 Problems with oceanic resources: Enhancement of Marine Living Resources: The oceans around India, including Island Groups, are endowed with variety of finfish and shellfish resources. The over- exploitation of these commercially essential assets has brought about huge exhaustion of their populace. The objectives of the work contemplated in the present technology development program are steps towards protection of these assets through breeding and sea ranching.

3.5.2 Oil Spills and Shipping: The western part of the Indian Exclusive Economic Zone, i.e., the Arabian Sea bordering the peninsular India, frames the primary international route for oil tankers originating from the Gulf. It has been assessed that around 450 mt. of crude oil is transported every year along this route, including roughly 2500 loaded tankers. Considering the vast volume of oil transported and expanded ocean traffic, the likelihood

of tanker accidents is high. The last major accident in the area happened in January 1993 when a couple of thousand tons of oil spilled into the Andaman Sea. Any accidental spillage of oil along the tanker route will bring about extreme and in some cases irreparable harm to the marine ecosystem. In addition to offshore oil exploration and production activities, exchange operations of oil at single buoy mooring stations, and lightening and bunkering operations in major ports, cause spillage of oil.

3.5.3 Disposal of Domestic and Industrial Waste: It has been assessed that an extensive quantum of domestic sewage reaches the coastal environment every day. These wastes contain degradable organic matter, which uses gigantic amounts of oxygen from seawater for its oxidation. The resultant fall in oxygen in seawater prompts to a decline in the number of marine flora and fauna. Domestic wastes in certain coastal areas are released without treatment because of absence of such facilities in many urban areas and towns.

3.5.4 Programmes and Projects: Mainstreaming Coastal and Marine Biodiversity Conservation into Production Sectors in Sindhudurg Coast in Maharashtra (January 2011 - December 2016); The project, in partnership with the Ministry of Environment and Forests and financed by the Global Environment Facility, aims to mainstream biodiversity conservation into Sindhudurg coastal district's production sectors. It also aims to generate awareness amongst local communities on biodiversity conservation amidst the threat of unsustainable fishing practices, rising pollution from fishing vessels and maritime traffic in the area.

3.6 Mountains

Mountains are an important sources of water, energy, minerals, forests, and agrarian items; and serve as zones of recreation. They are storage facilities of biological diversity, home to endangered species, and a fundamental part of the global ecosystem. Along these lines, the advancement of mountains must be seen in a comprehensive way, incorporating financial advancement, technological improvement, environmental protection, and human resource development. Every one of these exercises are interrelated and gains in one will deliver benefits in others. As a major ecosystem representing the complex and interrelated ecology of our planet, mountain environments are essential to the survival of the global ecosystem. Mountains are, however, vulnerable to human and natural ecological imbalance. The

Himalayas speak to a standout amongst the most fragile mountain ecosystems and, besides, support a vast human populace. This separates them from Alpine or other ranges, where human residence is not all that high. Mountains and their people deserve consideration, so that local knowledge can be utilized, and sustained and accelerated development turns into a reality with regards to the promotion and security of the ecosystem in general. The Himalaya system is vast and diverse, and speaks to the youngest mountain framework on the planet. It involves 18% of the topographical territory of India and directs atmosphere of the entire Indian sub-continent. The presence of valuable flora, fauna, and minerals exclusive to the region is extraordinary. The Himalayas nourish the real river systems of the Indian sub- continent.

Programmes and Projects: While a large number of existing institutions in the region have continued their efforts, the Government has set up the GB Pant Institute for Himalayan Environment and Development with the specific actions for generating and strengthening knowledge concerning the ecology and sustainable development of the Indian Himalayas. The Institute is also indulged in integrating and collecting traditional knowledge for sustainable and integrated development of watersheds.

3.7 Biodiversity

Studies of the floral and faunal assets in the nation are carried out by the Botanical Survey of India established in 1890 and the Zoological Survey of India established in 1916. The National Institute of Oceanography and a few other specialized institutions and colleges additionally reinforce the taxonomic data base. The diversity of the nation's biological resources is yet to be completely surveyed. Around 65% of the aggregate geographical area has been studied to date. In view of this, more than 47,000 types of plants and 81,000 types of creatures have been recorded. The vascular flora which frame the conspicuous vegetation cover involves around 15,000 species. Several thousands of them are endemic to India and they have so far not been reported from anywhere else on the planet. This list is being constantly upgraded, particularly in regard of lower plants and invertebrate animals. The biological diversity of the nation is rich to the point that it might play an imperative and crucial part future survival of humankind in the event that it is conserved and utilized with the most extreme care. Today, two hot spots in biological diversity have been recognized in the nation, namely, the Eastern

Himalayan region and the Western Ghats. An extensive status report covering the different features of biodiversity protection in India is under preparation.

The collection and preservation of genetic resources is accomplished through the National Bureau of Plant Genetic Resources for Wildlife for crop plants; the National Bureau of Animal Genetic Resources for domesticated animals; and the National Bureau of Fish Genetic Resources for economically valuable fish species. These Bureaus are appointed the undertaking of collecting germplasm and providing these on demand to Indian and foreign organizations for research purposes.

Programmes and Projects: A global biodiversity hotspot, India is one of the top ten species diverse countries in the world. This rich diversity has been accompanied by a strong legacy of conservation. It is a relationship that is under threat. Close to 275 million people depend on the ecosystem for day-to-day subsistence and many of India's poorest households get their income, food, shelter and many things from forests. Typically, 'Protected Areas' are the cornerstones of biodiversity conservation in India. However, a significant part of India's biological resources is outside the formal 'Protected Areas' in the form of community conserved areas supported by local initiatives. Realizing the crucial link between conservation, livelihoods and community development, UNDP's assistance to community conserved areas in two states-Madhya Pradesh and Orissa- has increased the scope of 'Protected Areas' and associated conservation with community development.

UNDP projects have showed the potential to decrease healthcare costs due to strengthened traditional healthcare systems and more use of medicinal plants. In addition, ecosystem-based micro enterprises developed under UNDP projects have greatly increased incomes of poor rural communities. UNDP also assists in capacity development to effectively implement India's Biological Diversity Act, the guiding framework for biodiversity conservation in the country.

3.8 Energy

Renewable energy can assume a key part in giving a more sustainable, equitable and secure energy supply for human development. Access to energy is one of the keys to improvement and financial development, as it gives light and heat, and powers productive and reproductive uses and telecommunications.

Energy supply in India is vigorously reliant on fossil fuels with coal and petroleum items together representing around 88% of the total primary energy supply. A large portion of the oil expended in the nation is imported, posturing serious difficulties for long term energy security. As per International Energy Agency, in 2012, India had more than 300 million people who were deprived of electricity and more than 800 million people were reliant on solid biomass as fuel for cooking. As indicated by Census 2011, 43% of rural families utilized kerosene as essential energy source for lighting. Since energy access has solid development implications, this is a serious challenge that the government is as of now trying to address.

Table: 3 The Production of Primary Commercial Energy has been as follows:

| | Units | Production | | | | | | |
|---------------|-------|------------|---------|---------|---------|---------|---------|------------|
| | | 1950-51 | 1960-61 | 1970-71 | 1980-81 | 1990-91 | 1998-99 | 1999-2000* |
| Coal | MMT | 33 | 55.67 | 72.95 | 114.01 | 211.73 | 292.15 | 208.12 |
| Lignite | MMT | - | 0.05 | 3.39 | 4.80 | 14.07 | 23.07 | 16.0 |
| Crudeoil | MMT | 0.26 | 0.45 | 6.82 | 10.51 | 33.02 | 33.80 | 24.33 |
| Natural gas | MCM | - | - | 1445 | 2358 | 17998 | 24550 | 21348 |
| Hydro power | BKwh | 2.52 | 7.84 | 25.25 | 46.54 | 71.66 | 82.62 | 80.5 |
| Nuclear power | BKwh | - | - | 2.42 | 3.00 | 6.14 | 11.99 | 13.25 |
| Wind power | BKwh | - | - | - | - | 0.03 | 0.95 | 1.08 |

**till Dec. 2000*

The significance of expanding the utilization of renewable energy sources was recognized in India in the early 1970s. During the past quarter century, a significant effort has gone into the development, trial and induction

of a variety of renewable energy technologies for use in various divisions. The nation has today among the world's biggest projects for renewable energy. The exercises cover all major renewable energy sources important to

us, for example, biogas, biomass, solar energy, wind energy, hydro- power and other emerging technologies. A few renewable energy systems and products are currently commercially accessible, and are additionally financially feasible in contrast with fossil fuels.

3.8.1 In the renewable sector, new technologies are being explored in the following areas:

- a) Solar energy
- b) Energy from Urban and Industrial Waste
- c) Biogas Technology
- d) Biogas combustion based power generation
- e) Biomass Gasification technology
- f) Small Hydro Power
- g) Wind power technology
- h) Fuel cell technology
- i) Hydrogen energy
- j) Alternative fuel for surface transportation
- k) Ocean energy
- l) Geo-thermal energy etc.

3.8.2 Programmes and Projects: Scale-up of Access to Clean Energy for Rural Productive and Domestic Use (2015-2019); In partnership with Ministry of New and Renewable Energy, Government of India, funded by Global Environment Facility, the project aims to demonstrate and develop the market for Renewable Energy Technology Packages for Rural Livelihoods (RETPRLs) in three selected states-Assam, Odisha and Madhya Pradesh. The RETPRLs include: solar lighting systems; solar and/or biomass waste-powered micro grids for common facilities; solar irrigation pumps; improved commercial biomass cook-stoves; poultry-litter- based biogas plants; poultry-litter-based briquetting units; solar dryers for vegetables, spices and fish; solar-powered milk chillers; and cold rooms for storage of horticultural produce. The target livelihood sectors include poultry, fisheries, dairy, horticulture, khadi (homespun cloth) and silk weaving, bamboo, and commercial cooking (e.g. tea stalls, sweet shops and street food vendors).

4. Measuring & Monitoring Natural Resource Stocks

Sustainable management of resources lays on an ability to monitor the evolution of stocks and make corrective action in instances of critical degradation or

decline. On account of man-made physical assets, the cost of maintaining, renewing, expanding and improving the capital stock is an unequivocal part of production costs (capital depreciation is represented as an expense). For natural resources, this is not generally the situation. The estimation of natural capital is frequently not accounted at the level of the individual firm or in national accounts. This infers neither their contribution to growth nor the degree and effects of their degradation or depletion are completely measured and recognized by policy makers. Thus, measuring and monitoring natural resource stocks accurately is a serious challenge.

On account of non-renewable resources, for example, minerals or fossil fuels, stock exhaustion is inescapable over the long run. In the formal sector, the estimation of the remaining stock (i.e. mineral or oil reserves) is evaluated as precisely as could be allowed and is an important factor conditioning the market value of the firm relying on a particular resource stock. An appropriately designed fiscal regime can ensure that stock exhaustion is recorded and in this way made obvious both at the level of the firm and at the aggregate level.

This does not make a difference on account of informal-sector exploitation of "open access" resources. Where artisanal mining is huge or even predominant, for instance, it is hard to screen the value made by the business and the rate at which existing deposits are exhausted, and to define corresponding policies.

Renewable natural resources can, on be maintained in perpetuity insofar as their rates of utilization don't surpass their rates of regeneration. However, a continued draw-down of the stock over a specific level might be unsustainable and prompt to permanent reduction of the stock and to bring down reproductive capacity. There is, however, no market mechanism to make this reduction in capital stock visible to users or policy makers.

Standard economic statistics can even give a misleading picture of the execution of a natural resource based segment. On account of fisheries, for instance, a high level of "gross value added" is consistent with poor economic performance if there is excess fishing capacity. In such a case, expelling capacity from the sector will bring about increased overall production.

Correspondingly, ecosystems might be degraded to the point where they are no longer ready to give a range of services. Since these services are not

bought and sold in markets, this development is not straightforwardly visible through market mechanisms but rather may lead by implication to increasing costs or decreasing outputs in related or dependent sectors. Specific mechanisms are expected to monitor both the level of stocks and their quality in terms of capacity to deliver both goods and services.

Sustainable management of resources lays on an ability to monitor the evolution of stocks and make corrective action in instances of critical degradation or decline.

5. Sustainable Natural Resources

5.1 Coal: Coal will remain the significant source of energy until 2030. Thermal plants that utilize coal likewise need to undergo massive technological changes if they are to remain sustainable. Technological change will require regulatory interventions since the capital costs of setting up plants with state-of-the-art technologies are far higher when contrasted with subcritical plants. Renovation and modernization measures require a noteworthy boost. Research and development (R&D) for clean coal technology needs a time-bound roadmap.

5.2 Oil and Gas: For this segment, disclosure of energy use and process-related carbon emissions ought to be encouraged, to begin with voluntary and progressively to be made compulsory. This would prompt to more noteworthy clarity and public awareness, which can additionally encourage policy action in the future. Exploration and production contracts ought to incorporate incentives for energy saving in operations; fiscal arrangements in the form of tax incentives can encourage the reduction of associated gas flaring.

5.3 Renewables: India focuses on an installed RE capacity of 175 GW by 2022, of which 100 GW will originate from solar power, 60 GW from wind energy, 10 GW from little hydro power, and 5 GW from biomass-based power projects. Renewable energy forecasting is required for grid security. However, because of absence of quality data and insufficiently developed forecasting tools, precise RE forecasting is difficult. Significant amount of generation integration will rely on upon the precision of the figure. To accomplish low-cost manufacturing and therefore bring down capital costs and to capitalize on its inherent advantages in the solar sector, India needs fortifying and updating its solar R&D and manufacturing capabilities.

5.4 Hydropower: On the national level, the hydropower segment is governed by the National Hydropower Policy of 2008. Different state governments have set up such policies like the Hydro Power Policy, 2006 of Himachal Pradesh; Policy for Harnessing Renewable Sources in Uttarakhand with Private Sector/Community Participation, 2008; the Hydro Electric Power Policy of Arunachal Pradesh; among others. These policies have framed laws that administer land acquisition, law and order, impact on the environment via environmental impact assessments and impact on the people via social impact assessments. It is imperative to look at measures to iron out the issues in the current policy framework. Creating policy and institutional mechanisms to support alternative designs to increase dam life as additionally to reduce the divergence, the designed and actual dam life must be considered.

5.5 Agriculture: Technical options for enhancing energy efficiency in irrigation incorporate encouraging upgradation of inefficient pumpsets to energy proficient pumpsets through the AgDSM program that looks to set up viable models for PPP. Promotion and effective adoption of solar pumping systems is vital as it could encourage a lessening in diesel utilization in irrigation and in this way savings of a non-renewable fossil fuel.

5.6 Water: Integrated water resource management should be explored for water conservation utilizing rainwater harvesting and groundwater recharge and in addition restoration of lakes and ponds in the river basin catchment. Water use efficiency can be enhanced in irrigated agriculture by expanding the yield per unit of water, diminishing loss of water to unusable sinks, decreasing water degradation, and reallocating water to higher priority uses. Creating water quality database and management utilizing real-time monitoring, linking billing with water supply network designs using Supervisory Control and Data Acquisition, and cloud computing systems. Institutional capacity building is of most extreme significance with a specific end goal to guarantee that the mechanism of overall framework guarantees efficiency in treating water as a finite but renewable asset to be deliberately overseen and wisely used.

Despite the fact that essential continuous National projects are in advance at different stages, many limitations are being confronted in their implementation. Some of these are: a) lacks in systematic data collection and establishment of a good data base (an periodic

review and implementation of the hydrology project may improve the situation); b) appropriate execution of a suitable blend of structural and non-structural flood management measures is required; c) powerful control and change in water quality through water pollution control measures is required urgently; d) degradation of fish habitat because of expanded water abstraction, land development, and pollution; e) change in catchment area treatment and compensatory afforestation is important to battle soil erosion, mismanagement, and other over-exploitation of natural resources; f) the constraint of funds is viewed as the greatest obstacle to the execution of this agenda and needs global consideration and assistance; and g) greater human resource development including adequate training is fundamental in every aspect of concern.

5.7 Forests: Linkages should be set up between research institutions, state forest departments, and private sector to create good quality planting material. As envisaged in Twelfth Five Year Plan model, nurseries can be set up in selected forest divisions. Joint Forest Management institutions should be reinforced through setting up strong linkages with gram panchayats and distribution of green funds. Village level green volunteers can be trained for preservation of natural resources. Claims to individual and community rights should be completed. Livelihoods of the right holders ought to be fortified through training them in modern agriculture, animal husbandry, and forest management.

5.8 Bio- diversity: It is essential to dovetail the national endeavors for biodiversity protection with the international goals and processes, for example, Aichi Biodiversity Target and Nagoya Protocol. The national targets are cross-cutting regarding issues and in addition respective jurisdictions of ministries of central government and state governments. However, there is a constraint as far as funds available for accomplishing the national targets for biodiversity protection.

5.9 Irrigation: Promotion of micro-irrigation systems among farmers and in command regions will have noteworthy implications on agricultural energy demand. Appropriate encouragement, incentives, and subsidies for farmers to adopt these systems are necessary, alongside awareness and training on deployment and utilization of these systems.

6. Conclusion

While the relationship between natural resources and human development is complex and dynamic, there are some fundamental truths which deserve attention from policy makers if growth in developing countries is to yield its maximum potential for human development

- a) Poor nations are much more dependent on natural resources as economic assets than are rich nations. Natural resource sectors give important contributions to growth, exports, employment and public revenues in many developing nations.
- b) Natural resources are a noteworthy, and possibly the significant, asset of poor people. They are basic for subsistence and a noteworthy wellspring of wage for some families. They help the poor to battle poverty and shield the non-poor from falling into poverty.
- c) The international context of natural resource management is evolving. Many developing economies are major importers of natural resources. This expanded demand makes enhanced resource management considerably more pressing.
- d) At a certain point, nations like Brazil, Canada, Australia and those in Latin America were keeping pace with India when it came to the utilization of natural resources. Today, these nations have advanced far and we have stayed stagnant. In India, the fall of GDP growth can be ascribed to a great extent to the slow development of the natural resource sector. On one side, the available resources are not being used and on the opposite side, the tussle of legitimate and illegitimate mining has put blanket bans on mining. The result has disabled the enterprises, economies of these states and the employment of many people.

India enjoys the richness of iron ore reserves like that of Australia and Brazil however the difference in production and outlook is un-measurable. Where Australia has multiplied its production to 500 million tons and Brazil has multiplied its creation to 400 million tons, India's production has gone down to under 50 per cent to 100 million tons, and is notwithstanding attempting to maintain this level, however our nation can possibly deliver significantly more. For a developing country like India, it is just correlated to benefit from the available natural

resources, in the most sustainable way, by acquiring large investments and through simplification of policies and procedures. This is the main sector that has the true potential to make India an economic powerhouse.

- e) A standout amongst the most looked for after worldwide mineral assets, bauxite - a raw material for making aluminum - still stays unexplored and unused in India. Our nation is blessed with the fourth-biggest bauxite deposits on the planet, around 3000 million tons, but unfortunately the nation has not saw the opening of any large bauxite mine in more than 35 years.
- f) Investments in exploration of gold and copper mines are awaiting, despite the Supreme Court judgment to open up the sector. Having our own particular reserves and resources, and after that spending billions on their import has neither rhyme nor reason. We can keep these reserves for an additional 100 years, in any case, their sustainable and optimum usage is essential for the nation and for the mankind.
- g) Loss of forest access among the poorest in India: In western and southern India, privatization of land has made a lessening of up to 25% or 50% in the area of common property resource lands. The national forest policy of 1998 recognizes this: "The life of tribals and the other poor living within or near forests, revolves around forests. The rights and concessions enjoyed by them ought to be completely protected. Their domestic requirements for fuel wood, fodder, minor forest products and construction timber should be the first priority. Similar consideration ought to be given to scheduled castes and other poor living close to the forests." However, execution of this approach is laden with troubles.

For every one of these reasons, human development is linked to improving natural resource management while ensuring that the poor have access to these natural resources and the rights, knowledge, capacities and accountability mechanisms to utilize these resources reasonably.

7. Recommendations

This section highlights the main recommendations for action to better harness the potential of natural resources for human development.

- Quantification of the value of natural resources is frequently hampered by absence of data and the low quality of such information about stocks of natural resources, their flows and the interventions affecting them constraining evidence-based resource management. Thus support should be provided for strengthening data and observational documentation and statistical capacities.
- Enhancing policy coherence for development. Grants, subsidies and other support for developed countries' private sectors should not hinder our country's export opportunities. For instance, Tariffs in the fishery sector of some OECD nations must be assessed as they may hurt the fishing sectors of poorer countries. For instance, Fiji fishing communities are struggling because of unfair competition from foreign fishing boats that get liberal fuel subsidies, and also subsidies for capital costs of ships and equipment. Fishery subsidies absorb USD 14 billion to USD 20 billion a year in OECD nations, advantage large organizations more than poor fishing communities and exhaust fishing populations on which poor nations' coastal fisheries depend.
- Establishing a transparent and principle-based environment is important. Legislative measures such as those requiring senior public offices to declaration or disclosure their assets decreases the risk of corruption & encourages a culture of openness, transparency, reduces corruption and costly illicit outflows. Greater global efforts are required to address and end the bribery, theft, embezzlement, tax evasion and aggressive tax avoidance of international actors.
- Potential of technology to transform national natural resource sectors - to be more transparent and accountable. From cellphones to social media ICT has ended up being to be a successful device in the battle against corruption so citizens should utilize crowd-sourcing technology to report bribery attempts anonymously.
- Protecting and expanding the natural capital available to the poor: Protecting and expanding the natural resources is an important way to support human development. An initial step is to guarantee that open access to natural resources on which the poor depend is not privatized by elite groups. Addressing these issues may need reforming existing access or

use rights, strengthening enforcement or both. Changes in the fiscal treatment of property, for instance, by penalizing owners who keep land idle, can also help increase the natural capital available to the poor and ensure that all accessible land is put to use.

- Maximize the productivity of existing natural capital through complementary public investments: Examples include physical infrastructure such as irrigation facilities which can sharply increase agricultural productivity, transport infrastructure, which can provide access to markets and inputs, the provision of training and extension can foster efficient land or water management, the uptake of new technologies and crops, etc. Enhanced access to credit is a critical supplement. Enhanced access to market and credit is vital for farmers to change from low-profitability subsistence food crops (e.g. rain-fed corn), to higher value tree crops (fruit crops, cashew nuts etc.), which are much more alluring from both economic and environmental perspectives.

In the case of fisheries, improved landing facilities and access to refrigeration and transport can sharply increase market value of the fish catch. On account of agricultural products, access to processing facilities (e.g. storage, drying) decreases post-harvest loss and enhances the price obtained for the products.

- Proper value of assets: The evaluating of access or use rights to the asset is another imperative policy instrument influencing efficiency of production. At the point when water costs don't reflect the real cost of provision, farmers use much more than they require for a given harvest, water-intensive crops are developed in water-short regions, and irrigation works are not kept in good working order.

For fisheries, the points incorporate keeping away from strategies which prompt to high rates of undersized fish. A few types of industrial-scale fishing lead to high rates of wastage. Up to 80% of the fish catch is disposed of in light of the fact that it is commercially useless and was not the intended target of the fishing nets. Such catch strategies might be secretly gainful, however socially wasteful, as individual fish catchers don't have incentives to care about fish stock regrowth (which benefits all users).

- Securing access to export markets often needs an ability to match rigorous standards and requirements, such as health, sanitary and safety standards for fish, fruit and other products. Investment in the human and technical capacity to meet such standards can pay off through higher prices. Such products may include natural food products (e.g. dried fish, honey) as well as handicrafts (wood products and basketry).

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The Role of Human Resource in Organised Retail Stores in India

K.S.Prasad¹

Abstract

The boom in the retail sector in India and its corresponding spike in demand for talent has under scored the need for effective HR systems. The function of human resources has special significance in retail as the employees operate in a unique environment. In any retail organisation, the people who deal with the customers at a one to one level are considered to be the face of the organisation

HR is steadily moving up the value chain and becoming a critical stakeholder for the Industry. The dynamic nature of this market has made availability of talent indispensable for survival. The need for focused talent attraction, development and retention strategies has made it imperative for HR, traditionally seen as a support function in retail, to step up and take on a more strategic role.

For HR to integrate with the Business as a strategic function we need to be clear on the Strengths and Opportunities that HR can build upon and simultaneously be aware of Weaknesses and Threats that can pose new challenges to HR in the retail industry.

Key words: Human Resource Management, Retail Sector, Organized Retailing, HRM Practices and HR Challenges.etc...

Introduction

Retail has always been a significant and one of the most dynamic sectors in our industrial setup. Its contribution in augmenting the economic growth can certainly not be ignored, further gradually and steadily the transformation of a major part of this sector into an organised setup has revamped the industrial outlook for retail in entirety. The major Strength is seen due to impressive industry growth rate, potential to create jobs are key pull factors and MNCs entering the Indian market. This resulted in robust and innovative HR practices to engage employees. Retail has the potential to generate employment (both direct & indirect) - Currently accounts for approx 8% of employment - Creation of 10 million jobs in 10 years. It is found that this sector happens to be second largest employer after agricultural sector. In India, the rapid development in this sector created the need for employment who can take care of retail operations. The success of any player in this lucrative sector depends not only on understanding target market and implementing marketing mix strategies but also on how effectively a retailer develops systems of high performance work practices including comprehensive employee recruitment and selection procedures, incentive compensation and performance management systems, and extensive employee involvement and training. An increasing body of work evaluated the links between systems of High Performance Work Practices and firm performance (Arthur 1994, Miller & Cardinal 1994, MacDuffie 1995, Huselid 1995).

Objectives of the Study

- To analyze the Human Resource practices implemented in the organized retail industry in India.
- To study the HR challenges faced by the organized retailers while implementing such practices.

Review of Literature

The impact of human resource management (HRM) policies and practices on firm performance is an important topic in the field of human resource management, industrial relations, and industrial and organisational psychology (Boudreau 1991, Jones & Wright 1992, Kleiner 1990). A number of texts have appeared in recent years promoting the advantages of using high involvement human resource practices (Arthur 1994, Kochan & Osterman, 1994, Levine 1995, Pfeffer 1998, Guthrie 2001) as well as on the use of High Performance Work Practices, which can improve the knowledge, skills, and abilities of a firm's current and potential employees, increase their motivation, reduce shirking, and enhance retention of quality employees (Jones & Wright 1992). In the existing literature, focus on the issue that human resource management practices is developing rapidly as it helps to create a source of sustained competitive advantage, especially when they are aligned with a firm's competitive strategy (Cappelli & Singh 1992, Jackson & Schuler 1995, Wright & McMahan 1992).

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In India, sudden and unprecedented growth in organised retailing poses a challenge to human resources development. Therefore, it would be useful to look at the dimension of human resource practices in retail industry, emerging requirements and challenges and measures to improve work atmosphere in Indian scenario. Although a few studies have initiated their efforts on analyzing HR challenges in Indian retail sector (**Chella 2002, Chakraborty 2007, Abraham & Kumudha 2007**), there are gaping holes in the existing research: in particular the factors leading to the type of HR policy carried out in the Indian retail sector is largely neglected. The focus of this paper is on examining the various factors affecting human resources in Indian retail sector and accordingly suggesting measures for HR policy.

Sunita Sikri & Dipti Wadhwa, (2012) focused on changing face of retailing industry, organized or unorganized retail industry, major players in retail industry and also highlights the challenges faced by the industry in near future. It mentions the challenges faced by the retail industry like international standards, inefficient supply chain management, lack of retail space, cultural diversity, real estate issues, human resource problems, frauds in retail and challenges with infrastructure and logistics.

Julia Merkel et al. (2006) in their published book on "Retailing in the 21st Century" focused on the new challenges in the retail human resource management. In this book the authors have provided the need for professional Human Resource Management in Retailing. The authors viewed that retailing is a major labour intensive industry sector. The authors further suggested that people are the driving force behind all transactions that occur in retailing outlets. And in the future world of retailing, there will be an increasing need to adapt and change towards a more formative and proactive style of HRM.

Chakraborty D. (2007) in the article titled 'Indian Retail sector - HR challenges' has critically examined the practices of human resources for the management of retail organizations. The article has analyzed the evolution and growth of Indian retail sector with special reference to organized retailing. The article has further focused on the emerging dimensions in retail sector with a special focus on HR challenges.

Singh B.D. et al. (2008) in their study on HR challenges in Indian retail sector has revealed that rising retail industry in India is especially providing great scope

and challenges to the HR front. Further, the study evaluated that the growing industry requires many strong back up of Human Resources hence the HR department s must act pro-actively to attract, nurture and retaining trained manpower.'

B.B.Lakshete (2011) in the article titled "Human Resource Management in Retailing" studied on the scope of HRM in retailing sector. Further, the paper also focused on the challenges and usefulness of HRM in retailing. The paper concluded that HR challenges when taken care of by the organization are bound to make a difference to the organizational success.

HR practices in organised retail sector

Retail has always been a significant and one of the most dynamic sectors in our industrial setup. Its contribution in augmenting the economic growth can certainly not be ignored. Additionally, the gradual, yet steady transformation of a major part of this sector into an organised setup has revamped the industrial outlook for retail in entirety.

Few of the best practices which have had a significant impact on the retail sector and have shaped the present industry outlook as well as defined the growth projections for the sector are as follows:

Competency Mapping

An effective and scientific talent assessing practice wherein a person's skills, aptitude, strengths and weaknesses etc. are mapped against the pre-set requirements of the role. This practice is intended for increasing the talent hire hit rate.

Building Capability

It takes a set of capable people to write the success story of any company. Retail organisations nearly comprise 70 percent of their staff as frontline sales people who are either freshers or less experienced. It becomes very important to make them realise that they are the brand ambassadors in ways more than one. Hence, their proper training and overall grooming becomes of supreme importance. Customised and well-researched learning and development plans are created for making the workforce suited for the specific profile.

Talent Retention

Competitive sector like this has forced to think about talent acquisition which is not less than a war for

talent to be retained. Though it is challenging enough to find the right people with the desired skill set, however, more challenge lies in retaining a competent workforce. High attrition rate in retail is accredited as a recognized, but inept practice.

Training and Development

Seeming a subset practice of talent retention, training and development is instead an all-encompassing function of HR practices, which is aimed at a holistic growth of each and every employee. Many HR practices have been built around this core task.

Diversity and Innovation

Diversity reflects innovation, especially in the retail employee base. Diversity in the workforce ensures a comprehensive and an integrated organisational approach in any situation. Therefore HRs have to take a risk and hire a percentage of workforce from outside the inner sanctum, in order to have the chance to gain insights and knowledge from someone with a different perspective and thought process.

Challenges faced by HR Managers in this sector

Human resources occupy a significant place in the growth of the retail industry. In spite of this fact, both organized and unorganized retail sectors are struggling against various human resource issues that require immediate attention. The retail industry poses particular challenges because employees deal directly with customers.

High Turnover

Retail is notorious for having a high rate of employee turnover. This means employees routinely come and go, which poses several challenges. Training and developing are difficult, time consuming and. It's also more difficult to build customer loyalty if customers keep seeing a new face every time they enter the store.

Diversity

A diverse workforce is typically regarded as a good thing. It helps a retailer better connect with its marketplace and usually leads to more and better ideas and results. However, a staff of people from widely varying demographic backgrounds might have trouble developing cohesiveness.

Seasonal Demand

Retailers often experience seasonal demand fluctuations. The holiday buying season, from "Wednesday Low Price" - Big Bazaar, Diwali, Holi, Ramzaan, and as well the Independence Day Sale and Republic Day sale is well-known as the busiest shopping season of the year. Retailers often try to add temporary staff during these times.

Lack of professionally educated workforce

An important problem in the retail industry is lack of professionally educated staff. Retail as an academic option at Masters level is relatively new concept and till last decade, only few universities were offering professional degrees in retail. This has created a gap in the demand and supply of talent into this industry.

Lack of bargaining power (Compensation)

Another problem is that such low skilled workforce usually agree to work at low salaries giving the power of negotiations in the hands of bosses. This results in low job security which is yet another major challenge in the retail industry.

Employee poaching in the retail industry

Employee poaching is also very high in the retail industry. Skilled manpower is scarce in this industry and as such attracting the employees of competitors by offering them better salaries and perks is a rather easy option.

Problems of work life balance

Maintaining work life balance is one of the biggest challenges in the retail sector today. The retail sector does not work on standard format and the employees are often required to work for long hours and even on holidays and festivals. This somehow creates lot of problems in the personal lives of employees as they don't get much time to spend at home. The conflicts at home have further influences on the work life also.

Conclusion

Rising consumerism, expanding customer base and an unceasing yearning for further growth, retail is often even termed as one of the 'most promising' industry sectors. While there is no denial that organised retail sector is one of the front runners in shaping the economy of any demography, it is crucial to realise the importance of the

building blocks which have gone into shaping the present-day organised retail sector.

Human resources and its various allied functions have always been a significant contributor in bringing about any such transformation. While organised retail setup is steadily expanding its reach, the corresponding surge in the demand for talent has underscored the need for effective HR practices. After all, HR practices are like the catalysts for enabling any establishment to achieve its organisational objectives. With time, even these HR practices have not remained untouched by the wave of innovation and evolution. This revamp has resulted in the emergence of many best practices, which runs through the very foundation of organised retail framework.

Career progression discussions, mentor allocation, internal movement provision etc. are couple of best practices which are aimed at retaining the talent. But along with these too this sector is facing a deficiency of skilled and experienced professionals, especially at the middle and the senior level management.

It has been noted that with the opening up of this sector, creation of enough skilled workers to cater to the demand became very crucial and Career movement is a key challenge and of immediate concern as a majority of the workforce is young and expects good growth in this sector too. And lastly, matching up to attractive compensation at all levels becomes another critical factor.

One of the biggest challenge is to attract customers to a particular store. In this process every retailer every retailer is looking at various ways to motivate their employees and reduce attrition rate. Introduction of rewards, incentives and recognition of employee is increasingly becoming popular within the industry. Retailers like Big Bazaar, D-Mart, Reliance Fresh and other retail stores of Future Group started giving Discounts and Performance Enhancement Rewards and as well best performer of the month prizes in their stores.

Suggestions :

Indian retailers need creative HR practices to manage a huge workforce in a competitive environment enhance the competency and retention of their employees.

There are too many companies chasing too little talent. The retailers should maintain their goodwill in the overall employment market by communicating its

attributes in a way that distinguishes the company from the competitors.

Find the right talent that is willing to commit over the long-term.

Attractive compensation package should be provided to the employees which includes both direct (salaries, commission and bonuses) as well as indirect payments (paid vacations, health and life insurance and retirement plans).

The problem of attrition is very common nowadays. Retaining is more challenging than hiring. Hence, retailers must examine different strategies which they can use to reduce turnover and boost the morale of their employees.

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The Impact of HRD Practices on Organization Performance

Ashish Mehta¹ And Rupal Rabari²

Abstract

Effective management of human resources plays a vital role in sound management of banks. Human resource management is a central sub system of modern management system. Thus, HRD facilitated for all round development of banks in addition to allowing them to be dynamic and responsive to the environmental changes. The study on Human Resource Development in Banks, under present economic scenario in the country is essential to understand bank's present HRD philosophy, practice and outcome with a view to offer suggestions for formulation of right philosophy and practice of HRD in Banks.

This research looked at the impact of HRD practices on organizational performance in the case of banks in India. The assumption underpinning the practice of HRD is that people are the organization's key resource and organizational performance largely depends on them. Therefore, if an appropriate range of HR policies and processes are developed and implemented effectively, HR will make a substantial impact on organization performance. The objectives of the study were to examine the general HR practices of the banks, evaluate the perceptions of employees on HR practices of the banks and establish the impact of properly managing human resources on the performance of the banks.

Keywords: Bank, Human resource, HRD, HRD Practices, Performance.

Introduction

The Indian economy has experienced rapid economic growth since the 1990s. Due to the government's deregulation policy, the country has been more exposed to the global economy. Twenty first century HR is emerging to uniquely combine activities and processes of human resource management (HRM), human resource development (HRD), and organizational development (OD), three fields that "grew up" distinct from each other. Contributing strategically to organizations demands that HRM, HRD and OD coordinate, partner and think innovatively about how they relate and how they do impacts people and organizations. The primary apprehension of the bank should be to bring in proper integration of human resource management strategies with the business strategies. Banks have to understand that the capital and technology considered to be the most important pillars of banking are replicable, but not human capital, which needs to be viewed as a valuable resource for the achievement of competitive advantage.

HRD

HRD is a series of organized activities conducted within a specified time and design to produce behavioral change. According to Werner and Harris (2002) "HRD is a set of Systematic and Planned activities designed by an Organization to provide its members with the opportunities to learn necessary skills to meet current and future job demands"

HRD in Banking Sector

Today's increasing complex and volatile business environment characterized by globalizations, liberalization and the transnational invasion ensure that managing in India would not be the same again. Enhancing competitiveness in the global market place presents the ultimate challenge to policy makers, business leaders and entrepreneurs in any industry including banking. The banking industry has also realized the fact that the human resource or the personnel are to play an important role to achieve a high rate of growth of the bank. An employee is generally regarded as an innovator and supporter of innovations and a conscious developer of business in any banking industry. The key to successful management in any banking industry lies in effective utilization of the personnel they recruit from time to time (Rao, 1993). HRD acquires special meaning in the banking industry due to variety of factors. First, banking is a labor intensive industry. Second, job security of employees is very high even at this age "of global competition. Besides, the quality of banking services and the objectives of banks in achieving its socio-economic goals are highly dependent on the employees who deliver the services (Khandelwal, 1996).

Various HR issues faced by banks:

- Changed business positioning to align with the global players and technology to implement the business positioning repositioning of the people in the

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organization to affect the changing banking paradigm. The real challenge for Indian banks, how to transform into global corporations without losing the positive values and culture that they have developed.

- New generation private banks entered with clear business positioning (investment, retail, and corporate banking) and to a certain extent lured away the cream of experienced and trained human resource in the respective fields from public sector banks (PSBs) and that too in the lower and middle management levels.

Importance of HRD in Banks

Banks utilizes the skills and efforts of a number of widely divergent groups of professionals, semi-professionals and non-professionals. I) Extensive division of labor, ii) high interdependence of services iii) Efficiency demanded by the public, IV) complementary expectations among people at work v) Little control over workload and over its key members, VI) Nature of work involves certain amount of risk.

Literature Review

Dyer and Reeves (1995) captured the performance outcomes of HRM in the following ways. Financial outcomes; profits, sales markets, Organizational outcomes; productivity, quality, efficiency HR related outcomes; attitudinal and behavioral effects on employees - satisfaction, commitment, employee turnover, absence

Krishna and Rao (1997) carried out a comprehensive empirical study Organizational and HRD Climate in BHEL: An Empirical Study, and found that HRD climate in the organization encouraged middle and senior managers to experiment with new methods and try out creative ideas.

Sharma and Pooja Purang (2000) in their study Value Institutionalization and HRD Climate: A Case Study of a Navratna public sector organization, found a positive relationship between value institutionalization and HRD climate in a large public sector organization, meaning thereby that a better and more ethical environment of the organization shall lead to a better HRD climate for the organization.

Richard and Johnson (2001) using a sample of banks examined the impact of strategic HRM

effectiveness on a number of performance variables. They found that the effectiveness of strategic HRM is directly related to employee turnover and the relationship between this measure and the return on equity was stronger among banks with higher capital intensity.

Ahmad and Schroeder (2003) which concluded that, there is a positive influence of Human Resource Management practices (information sharing, extensive training, selective hiring, compensation and incentives, status differences, employment security and decentralization and use of teams) on organizational performance as operational performance (quality, cost reduction, flexibility and commitment).

Parikshit Joshi and Anuj Srivastava (2012) found that an organization became dynamic and growth oriented if their people are dynamic and proactive. Through proper selection of people and by nurturing their dynamism and other competencies an organization can make their people dynamic and proactive. To survive it is very essential for an organization to adopt the change in the environment and also continuously prepare their employees to meet the challenges; this will have a positive impact on the organization.

Ernst & Young (2010) found that the key HR challenges in the Indian Oil and gas Sector are Aging Workforce leading to difficulty in replenish talent loss due to heavy retirement in the coming years. A study of total attrition by level reveals that the upstream oil and gas sector is faced with significant attrition at the middle-management level, while other subsectors are facing this challenge at junior-management levels. Middle management attrition in the E&P sector is due to various international opportunities available for employees with more than 10 years of experience. The lack of career opportunities and extreme working conditions are other primary reasons for employee attrition.

Guthrie (2012) examining the impact of HR practices on turnover and firm productivity among a sample of firms in New Zealand noted that HR practices had an impact on turnover and that the relationship between retention and productivity was positive when firms implemented high-involvement HR practices, but negative when they did not. Strengthening the evidence of a positive relationship between HRM practices and organisational performance.

Research Methodology

Statement of the Problem

Management of people and management of risk are two key challenges facing banks. How you manage the people and how you manage the risks determines your success in the banking business. Efficient risk management may not be possible without efficient and skilled manpower in 21st century, the survival of the banks would depend on customer satisfaction. Those who do not meet the customer expectations will find survival difficult it is in the face of this existing state that the researcher wishes to establish the impact of HRD on organizational performance and how banks can, through appropriate HRD practices improve performance. The research is based on Indian Public and private sector banks only.

Objectives of The Study

General Objectives The primary aim of this study was to evaluate the perceptions of employees towards HRD practices of banks and to establish the impact of such practices on organizational performance.

Specific objectives are to:

- Examine the general HR practices, policies and programmers of the banks in India.
- Evaluate the perceptions of employees on HR practices, policies and programmers of the banks.
- Establish the impact of properly managing human resources on the organizational performance of selected banks.
- To study the organizational and HRD climate in the banks.

Research Design

| Research Variables | | |
|--------------------|-----------------|---|
| Points | variables | Description |
| 1 | Research Design | Descriptive Research Design |
| 2 | Types of data | Primary and Secondary data |
| 3 | Sample size | V. V. Nagar Public and Private banks Branches. |
| 4 | Sample | Manager and Officer |
| 5 | Hypothesis | H1: There is significant positive correlation between Training and Development and organizational performance in banking sector. H2: There is significant positive correlation between Performance Appraisal and organizational performance in banking sector H3: There is significant positive correlation between Employee Involvement and organizational performance in banking sector. |
| 6 | Method | Reliability test, Descriptive Statistics, Pearson Correlation, Regression analysis. |

Source: Primary Data

Data Collection Instruments

The questionnaire consists of two parts: first part of the questionnaire containing information of the dependent variables: Recruitment and Selection, Compensation (Pay) and Rewards, Training and Development, Performance Appraisal and Management, Employee Involvement, Career Planning. The second part containing questions regarding Organization performance and the questionnaire used was of multiple-choice and 5 point likert-scale (5-Strongly agree to 1-Strongly disagree) was used.

Data Analysis and Interpretation

Test of Reliability:

The present study, Cronbach Alpha reliability test is conducted for all measures. It is commonly used as a measure of the internal consistency or reliability of psychometric test score for a sample of examinees. Reliabilities are checked and they all fall between (0.71) and (0.90), which is satisfactory value because the satisfactory value is required to be more than 0.6 for the scale to be reliable.(Malhotra,2002). The overall Cronbach alpha of the all scales used in this study is (0.940) this indicates the reliability of scales is reasonably high.

Table 1: Showing Reliability of the Instruments

| Variable | Cronbach's Alpha | No. of items |
|--------------------------------|------------------|--------------|
| Recruitment and Selection | .815 | 7 |
| Compensation (Pay) and Rewards | .908 | 6 |
| Training and Development | .867 | 6 |
| Performance Appraisal | .882 | 7 |
| Employee Involvement | .837 | 4 |
| Career Planning | .713 | 5 |

Source: Primary data

Table 2: Item Statistics of Recruitment and selection practice in selected banks

| | Mean | Std. Deviation | N |
|---|------|----------------|----|
| An appointment in this organization is based on merit. | 4.42 | 1.214 | 50 |
| Applicants are fully informed about the qualifications required to perform the job before being hired. | 4.28 | 1.294 | 50 |
| Advertisements are used by the bank to recruit. | 4.36 | .485 | 50 |
| There is formal induction, orientation and familiarization process designed to help new recruits understand the organization. | 3.78 | 1.200 | 50 |
| In this organization, line managers and HR managers participate in the selection process | 4.20 | 1.278 | 50 |
| Selection system selects those having the desired knowledge, skills and attitude | 4.26 | 1.192 | 50 |
| Vacancies are filled from qualified employees internally. | 3.80 | 1.294 | 50 |

Source: Primary data

Descriptive Statistics:

Table: 2 represents the item statistics of recruitment and selection practices according to managers and officers. A mean of 4.42 shows that managers agree that appointment in their organizations is based on merit. Managers agree that applicants are fully informed about the qualifications required to perform the job before being

hired this is represented by a mean of 4.28. A mean of 3.80 indicates that manager's take a neutral stand as to internal recruitment is used by the banks to recruit. Again respondent neutral stand that there is a formal induction, orientation and familiarization process designed to help new recruits understand the organization it is shown by a mean of 3.78.

Table 2.1: Summary Item Statistics on recruitment and selection practice

| | Mean | Minimum | Maximum | Range | Maximum / Minimum | Variance | N of Items |
|------------|-------|---------|---------|-------|-------------------|----------|------------|
| Item Means | 4.157 | 3.780 | 4.420 | .640 | 1.169 | .068 | 7 |

Source: Primary data

Table 2.1 shows summary item statistics of recruitment and selection practices carried out by banks. The table gives an average mean of 4.157 which means that respondent show strong an agreement to all the practices related to recruitment and selection in their organizations. The minimum mean of 3.780, stands for the item with neutral agreement which asked if vacancies are filled from qualified employees internally. The viewpoint expressed by the mean of 3.780 means that

some managers are shifting their stance of agreement to a neutral ground neither agreeing nor disagreeing.

Table 3 displays item statistics of compensation and reward practices carried out by the banks and the perceived outcome of these practices from the viewpoint of respondents. A mean of 4.18 indicates managers' agreement to the assertion that pays for performance improves performance. It stands to reason that when pay does not commensurate performance there is the tendency

Table 3: Item Statistics of Compensation (Pay) and Rewards practice in selected banks

| | Mean | Std. Deviation | N |
|---|------|----------------|----|
| Pay for performance improves performance | 4.18 | 1.063 | 50 |
| Employees are rewarded based on performance | 3.40 | 1.525 | 50 |
| Compensation packages encourage employees to achieve organization's objectives | 3.62 | 1.469 | 50 |
| Employees are recognized and rewarded appropriately in this organization | 3.60 | 1.143 | 50 |
| Profit sharing/bonuses are used as a mechanism to reward higher performance | 3.04 | 1.399 | 50 |
| Job performance is an important factor in determining the incentive compensation of employees | 2.90 | 1.474 | 50 |

Source: Primary data

for decreasing performance. However, managers have a neutral stance on whether employees are rewarded based on performance. This is shown by a mean of 3.40. Though managers agree from all indications that pay for performance improves performance, there is no strong agreement to the practice in reality. A mean 3.62 indicates that managers agree that the kind of compensation packages offered by their organisations encourage employees to achieve organisation's objectives. The last item in this category required to establish whether job performance is an important factor in determining the

incentive compensation of employees and the respondents do not strongly agreed that it does. This is represented by a mean of 2.90.

Table 3.1 above which shows summary item statistics on compensation and rewards has an average mean of 3.45. This indicates that respondent agree to the compensation and rewards practices undertaken by their organisations. The minimum mean of 2.9 represents the item which has the least of agreement and hovering around neutrality.

Table 3.1: Summary Item Statistics on Compensation (Pay) and Rewards practice

| | Mean | Minimum | Maximum | Range | Maximum / Minimum | Variance | N of Items |
|------------|-------|---------|---------|-------|-------------------|----------|------------|
| Item Means | 3.457 | 2.900 | 4.180 | 1.280 | 1.441 | .211 | 6 |

Source: Primary data

Table 4 covers item statistics of training and development practices carried out by the banks. From the above table, the mean of 3.16 establishing whether training needs are discussed with employees shows that

managers could not wholly agree that such a practices is the case. It is more often than neutral, the case that wholesale training programmes are organised for employees without any form of discussions with the

Table 4: Item Statistics of Training and Development practice in selected banks

| | Mean | Std. Deviation | N |
|--|------|----------------|----|
| Training needs are discussed with employees | 3.16 | 1.346 | 50 |
| There is a training strategy and coherent training programmed | 3.32 | 1.285 | 50 |
| Training incorporates the interests of the organization as well as the individual | 3.80 | .990 | 50 |
| Training needs identified are realistic, useful and based on the business strategy of the organization | 3.48 | 1.092 | 50 |
| Every employee goes through various training programmers every year | 3.32 | 1.285 | 50 |
| There is a budget dedicated to training and development every year. | 3.74 | 1.065 | 50 |

Source: Primary data

individual employees concerned. Again, the mean of 3.32 for the item, means that managers could not take a concrete stand as to whether there is a training strategy and a coherent training programmes.. Respondents do not show

a strong agreement point in confirming that training needs identified are realistic, useful and based on the business strategy of the organisation. This shows in the mean of 3.48 for that item.

Table 4.1: Summary Item Statistics on Training and Development practice

| | Mean | Minimum | Maximum | Range | Maximum / Minimum | Variance | N of Items |
|------------|-------|---------|---------|-------|-------------------|----------|------------|
| Item Means | 3.470 | 3.160 | 3.800 | .640 | 1.203 | .065 | 6 |

Source: Primary data

The above table depicts the average mean on the nature of training and development practices carried out by banks which shows that an average mean of 3.47

means a not too strong agreement to what and how training and development practices are carried out.

Table 5: Item Statistics of Performance Appraisal and Management practice in selected banks

| | Mean | Std. Deviation | N |
|--|------|----------------|----|
| In this organization, employees are provided performance based feedback and counseling | 3.90 | .647 | 50 |
| The appraisal data is used for decision making like promotion, job rotation, training, compensation, transfers and discharge | 4.08 | .488 | 50 |
| There are corrective measures for under-performance. | 3.96 | .605 | 50 |
| Appraisal system is growth and development oriented | 3.96 | .605 | 50 |
| There is a well-defined performance management strategy | 3.90 | .647 | 50 |
| Retraining, redeployment and employability take precedence over downsizing. | 3.34 | .772 | 50 |
| There is regular appraisal for promotion | 3.74 | .876 | 50 |

Source: Primary data

Table 5 above displays the item statistics of performance appraisal and management practices of banks. It is indicated with a mean of 3.90 that managers neither agree nor disagree to the question that employees in their organisation are provided with performance based

feedback and counselling. The statistics above show with a mean of 4.08 that managers nor agree appraisal data is used for decision making like promotion, job rotation, training, compensation, transfers and discharge.

Table 5.1: Summary Item Statistics on Performance Appraisal and Management practice

| | Mean | Minimum | Maximum | Range | Maximum / Minimum | Variance | N of Items |
|------------|-------|---------|---------|-------|-------------------|----------|------------|
| Item Means | 3.840 | 3.340 | 4.080 | .740 | 1.222 | .059 | 7 |

Source: Primary data

The above table represents the summary of item statistics in connection on appraisal and performance management practices. The average mean of 3.84 clearly

shows that averagely, managers maintain neutrality in relation to items under performance appraisal and management practices of their organisations.

Table 6: Table: Item Statistics of Employee Involvement practice in selected banks

| | Mean | Std. Deviation | N |
|---|------|----------------|----|
| Employee participation is encouraged on a wide range of issues | 3.84 | .681 | 50 |
| Employees can exercise independent thought and action in executing their jobs | 3.12 | 1.043 | 50 |
| Adherence to instructions with little room for empowerment | 3.18 | .962 | 50 |
| You have regular staff meetings to encourage communication with peers and supervisors | 4.20 | .571 | 50 |

Source: Primary data

Table 6 displays item statistics of employee involvement practices within the selected organisations. There is an appreciable agreement on encouraging employees' participation on a wide range of issues and this represented by a mean of 3.84. Attracting the highest

level of agreement and mean of 4.20 is the item asking if organisations have regular staff meetings to encourage communication with peers and supervisors. This means that staff meetings improve communication among employees.

Table 6.1: Summary Item Statistics on Employee Involvement practice

| | Mean | Minimum | Maximum | Range | Maximum / Minimum | Variance | N of Items |
|------------|-------|---------|---------|-------|-------------------|----------|------------|
| Item Means | 3.585 | 3.120 | 4.200 | 1.080 | 1.346 | .275 | 4 |

Source: Primary data

Table 6.1 represents the summary item statistics on employee involvement. The table shows an average mean of 3.58 which means that managers of banks lean

more towards agreement to the issues broached in this category of questions.

Table 7: Item Statistics of Career Planning practice in selected banks

| | Mean | Std. Deviation | N |
|---|------|----------------|----|
| Career development is the responsibility of the employee | 4.26 | .633 | 50 |
| Employee's career aspirations within the organization are discussed with immediate supervisor | 3.80 | 1.107 | 50 |
| Employees are clear about promotion possibilities | 4.10 | .678 | 50 |
| The organization plans for the career and development of employees | 3.90 | .647 | 50 |
| Our organization prefers an internal_employee whenever a vacancy opens up | 4.10 | .839 | 50 |

Source: Primary data

The above table 7 gives the item statistics on career planning practices of banks. Managers agree that career development is the responsibility of the employee. This is represented by a mean of 4.26. This clearly

indicates that managers believe it is up to the employee to become aware of personal skills, interest, knowledge, and acquire information about opportunities and choices in order to achieve career-related goals.

Table 7.1: Summary Item Statistics on Career Planning practice

| | Mean | Minimum | Maximum | Range | Maximum / Minimum | Variance | N of Items |
|------------|-------|---------|---------|-------|-------------------|----------|------------|
| Item Means | 4.032 | 3.800 | 4.260 | .460 | 1.121 | .033 | 5 |

Source: Primary data

Table 7.1 gives the summary item statistics for career planning practices. The average mean of 4.03 establishes that managers agree to career planning activities.

Table 8 is a presentation showing item statistics on the organisational performance of banks. From the above table, items with higher mean figures ranging from 3.20 to 4.28 indicate that managers give a strong agreement to those issues. However, the other items with lower mean figures ranging from 2.80 to 3.46 points that managers agreed less on these issues and therefore either disagreed on them or maintained a neutral stand. It can be deduced from the table that managers strongly agree that their organisations are able to satisfy the owner(s) or shareholders therefore the highest mean of 3.96 and 4.28 for that item.

Table 8.1 shows an average mean of 3.62 for the responses given by managers in relation to organisational performance. This mean figure indicates that managers neither agree nor disagree to the issues raised on organisational performance. On the average, managers maintain neutrality on issues of organisational performance.

Organization Performance

Table 8: Item Statistics of Organization Performance in selected banks

| | Mean | Std. Deviation | N |
|--|------|----------------|----|
| The organization is not able to meet the goals it sets | 2.80 | 1.485 | 50 |
| The organization achieves its stated goals | 4.10 | .678 | 50 |
| Work in this organisation is easier because of laid down procedures | 3.46 | 1.216 | 50 |
| Each section understands the role it plays in achieving organizational goals | 3.48 | .974 | 50 |
| The organization functions smoothly with a minimum of internal conflict | 3.02 | 1.059 | 50 |
| Resources needed for proper functioning of the organization are always available | 3.38 | 1.028 | 50 |
| The organization is normally understaffed | 3.44 | 1.459 | 50 |
| Financial supports needed are available for use | 3.70 | .995 | 50 |
| The organization has enough human capital to accomplish its goals | 2.90 | 1.474 | 50 |
| The organization is able to satisfy the owner(s) /shareholders | 3.96 | .781 | 50 |
| Customers/client expectations are met. | 4.12 | .773 | 50 |
| We do not have problems in dealing with state and local government | 4.06 | .586 | 50 |
| Most suppliers are happy to work with my organization | 4.28 | .454 | 50 |
| Employees are motivated to stay with this organization | 3.98 | .589 | 50 |

Source: Primary data

Table 8.1: Summary Item Statistics of Organisation Performance in selected banks

| | Mean | Minimum | Maximum | Range | Maximum / Minimum | Variance | N of Items |
|------------|-------|---------|---------|-------|-------------------|----------|------------|
| Item Means | 3.620 | 2.800 | 4.280 | 1.480 | 1.529 | .234 | 14 |

Source: Primary data

Table 9 represents the correlation of the items on each HR practice and the influence or impact they have on the organisations ability to achieve its stated goals, Internal Conflict and Customer expectation. The table gives an indication that "appointment in this organisation is based on merit" has a high Pearson correlation with "the organisation achieves its stated goals" with a value of .682 This can be interpreted to mean that the appointment of workers based on merit has a positive impact on the organisations ability to achieve its goals and therefore an improvement in the appointment practice based on merits will account for the banks achieving their stated goals more often. The item also has a very high level of significance. "Applicants are fully informed about the qualification required to perform the job before being hired" also has a correlation with the ability of the bank. The relationship is also significant that, "training needs are discussed with employees"; "there is a training strategy and coherent training programme"; "employees can exercise independent thought and action in executing their jobs" have a positive correlation with the banks? ability to achieve its goals.

The R value is 0.556, which represents the simple correlation. The R2 value indicates how much of

the dependent variable, can be explained by the independent variable, In this case, 85.7 per cent can be explained, which is large. It is disclosed that 85.1 per cent variation in Organisation Performance is due to HRD practices and only 17 per cent is due to some other factors. The P value is 0.008 i.e. less than (0.05) which means that Hypothesis 1 is supported.

The R value is 0.856, it indicates a high degree of correlation. The R2 value indicates how much of the dependent variable, by the independent variable, "HRD". It is disclosed that 78.3 per cent variation in Employee Performance is due to HRD practices and only 21.7per cent is due to some other factors. The P value is 0.034 i.e. less than (0.05) which means that Hypothesis 2 is supported.

The R value is 0.850. It indicates a high degree of correlation. The R2 value indicates how much of the dependent variable can be explained by the independent variable, "HRD". It is disclosed that 80 per cent variation in Employee Performance is due to HRD practices and only 20 per cent is due to some other factors. The P value is 0.000 i.e. less than (0.05) which means that Hypothesis 3 is supported.

Impact of HRM practices on the achievement of organizational goals

Table 9: Correlation of Organization Performance

| | | The organization achieves its stated goals | The organization functions smoothly with a minimum of internal conflict | Customers expectations are met. |
|--|---------------------|--|---|---------------------------------|
| An appointment in this organization is based on merit. | Pearson Correlation | .682** | .295* | .511** |
| | Sig. (2-tailed) | .000 | .038 | .000 |
| | N | 50 | 50 | 50 |
| Applicants are fully informed about the qualifications required to perform the job before being hired. | Pearson Correlation | .642** | .011 | .414** |
| | Sig. (2-tailed) | .000 | .941 | .003 |
| | N | 50 | 50 | 50 |
| Pay for performance improves performance | Pearson Correlation | .541** | .142 | .614 |
| | Sig. (2-tailed) | .000 | .326 | .034 |
| | N | 50 | 50 | 50 |
| Compensation packages encourage employees to achieve organization's objectives | Pearson Correlation | .572** | .189 | .628** |
| | Sig. (2-tailed) | .000 | .190 | .001 |
| | N | 50 | 50 | 50 |
| Job performance is an important factor in determining the incentive compensation of employees | Pearson Correlation | .827** | .354* | .691** |
| | Sig. (2-tailed) | .000 | .012 | .000 |
| | N | 50 | 50 | 50 |
| There is a training strategy and coherent training programmed | Pearson Correlation | .900** | .400** | .410* |
| | Sig. (2-tailed) | .000 | .004 | .029 |
| | N | 50 | 50 | 50 |
| There are corrective measures for under-performance. | Pearson Correlation | .608** | .256 | .585 |
| | Sig. (2-tailed) | .000 | .073 | .198 |
| | N | 50 | 50 | 50 |
| There is a well-defined performance management strategy | Pearson Correlation | .582** | .777** | .588 |
| | Sig. (2-tailed) | .000 | .000 | .192 |
| | N | 50 | 50 | 50 |
| The organization plans for the career and development of employees | Pearson Correlation | .582** | .777** | .188 |
| | Sig. (2-tailed) | .000 | .000 | .192 |
| | N | 50 | 50 | 50 |
| Each section understands the role it plays in achieving organizational goals | Pearson Correlation | .606** | .881** | .518** |
| | Sig. (2-tailed) | .000 | .000 | .000 |
| | N | 50 | 50 | 50 |

Source: Primary data

Regression Analysis

Table 10: H1: There is significant positive correlation between Training and Development and organizational performance in banking sector

| Model Summary | | | | | |
|---------------|------|----------|-------------------|---------|---------|
| Model | R | R Square | Adjusted R Square | F | P value |
| HRD Practices | .556 | .857 | .861 | 1.75235 | 0.006 |

a. Predictors: (Constant), HRD

Source: Primary data

Table 11: H2: There is significant positive correlation between Performance Appraisal and organizational performance in banking sector

| Model Summary | | | | | |
|---------------|------|----------|-------------------|-------|---------|
| Model | R | R Square | Adjusted R Square | F | P value |
| HRD Practices | .856 | .783 | .792 | 1.344 | .028 |

a. Predictors: (Constant), HRD

Source: Primary data

Table 12: H3: There is significant positive correlation between Employee Involvement and organizational performance in banking sector

| Model Summary | | | | | |
|---------------|------|----------|-------------------|---------|---------|
| Model | R | R Square | Adjusted R Square | F | P value |
| HRD Practices | .850 | .812 | .823 | 2.239E3 | .003 |

a. Predictors: (Constant), HRD

Source: Primary data

Conclusion

HRD plays a very vital role in the success of an organization. It actually affects the performance of the organization directly or indirectly. If the HRD atmosphere is favorable, the company may avail the maximum cooperation of the employees to achieve the organizational objectives. This research has provided an overview and a discussion of HRD practices of banks. It focused on perception of employees on HRD practices, policies and programmes and the impact of such HR practices on organisational performance. This process produced results that indicated that banks needed to pay much more attention to the proper management of their human resources in order to realise their full potential and create competitive advantage through them. Management of banks should start to incorporate HRD thinking into business strategies and make the HR function "strategically proactive" Brockbank (1999). The effective management of the human resources of banks will create and sustain

competitive advantage and improve organisational performance. It is imperative for the banks to ensure that investment in their human resources and HRD practices will attract and retain talented people.

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Is Ahmedabad Bus Rapid Transit System on The Pathway it Desired For ?

Mahesh L. Chaudhary¹

Abstract

The Bus Rapid Transit System in the city of Ahmedabad in India commenced its operation in the year 2009 under the aegis of Ahmedabad Janmarg Ltd. The BRTS system was projected as the system for one and all. Almost after 8 years of completion the attempt is made to unearth the ground level realities pertaining to the system thorough an empirical study. Through this study one can know who the real users of BRTS are, what their travel characteristics are, and how the existing BRTS commuters perceive the BRTS system. The detailed demographic profiling of BRTS commuters and their travel characteristics is studied. The study also unearths the attitude of commuters toward reliability, safety, comfort during the journey, affordability, availability, and ease of transaction pertaining to the BRTS. The findings are useful for the policy makers in making public transport systems more sustainable and inclusive for commuters from all walks of life.

Keywords: Demographic profiling, Travel characteristics, Travel behavior, Commuters' attitude, Bus rapid transit system, Public transport.

INTRODUCTION

There is no iota of doubt that urban transport is the backbone of urban economy and in it urban public transport is a major constituent. Whether a city will have competitive advantage over other cities or not depends on the degree of robustness of the public transport system in the city (Chaudhary & Joshi, 2016). However, the fact remains that most of the cities of India are facing the music of automobilization. This phenomenon of rising ownership of private vehicles brings in negative externalities in the form of increased energy consumption, air pollution, traffic accidents, longer travel time due to congestion, and noise pollution (Jain & Khare, 2010).

However, the robustness of the urban transport cannot be achieved without understanding the commuters at large. Commuters don't merely want to be moved from one place to another. Their satisfaction is very important aspect to attract and retain them in the public transport and hence understanding the commuters' perception and their behavior toward public transport system becomes even more pertinent.

This was very well understood by the Government of Gujarat and has ideate the Bus Rapid Transit System (BRTS) project in the city of Ahmedabad in the year 2005-06. The operations commenced in the year 2009 under the aegis of Ahmedabad Janmarg Limited. The name Janmarg was well carved of by the present Honorable Prime Minister and then the Honorable Chief Minister of the Gujarat Shri Narendra Modi. Janmarg literally translates to 'people's pathway'; which means Janmarg is

a system for one and all irrespective of the economic classes, gender, and age of the people (Ahmedabad Janmarg Ltd, 2013). It was intended to provide efficient, affordable, safe and secure public transport to the citizens of the city of Ahmedabad.

Janmarg has been operational for more than seven years and has many accolades in its kitty. To name a few of them are International Award for "Sustainable Transport Award - 2010" at Washington D.C, USA; International Award for "Outstanding Innovations in Public Transportation - 2010" from UITP, Germany; International Award for "Momentum For Change 2012" was given by United Nations in the light house activities conference, held on 5th December 2012 at Doha, Qatar; etc (Ahmedabad Janmarg Ltd, 2013). Hence, Janmarg, which is considered as one of the most successful BRTS projects in India, is to be scrutinized on the core values it promised to stand for.

The past studies on perception of commuters towards the quality of public transport services had taken into account factors like travel time, frequency of services, seat availability, cost, behavior of staff, reliability of bus services, availability of information about transport services, comfort, safety, and cleanliness (Bhat & Sardesai, 2006; Friman, Edvardsson, & Gärling, 2001; Gatersleben & Uzzel, 2007; Hensher, Stopher, & Bullock, 2003; Redman, et al., 2013; Rietveld, Bruinsma, & Vuuren, 2001; as cited in Jain, S, et al., 2014). How thess factors are shaped will decide the degree of shift from personal or private vehicles to the public transport. The outcome of the empirical study conducted using multi-

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criteria decision making approach suggest that commuters' better perception on safety, reliability, and comfort of Delhi metro has garnered great amount of patronage from commuters who shifted from the private vehicles. This is despite the fact that the Delhi metro charges slightly higher than the public buses (Jain, S, et al., 2014).

Coming to Ahmedabad, Gujarat in India the study conducted by Mahadevia, Joshi, & Datey (2013), just four years after the commencement of operations of BRTS (i.e. in the year 2012), has highlighted the areas of improvement such as inclusion of non-motorized (NMT) infrastructure, integration of regular bus services-the one run by AMTS and resettlement and livelihood of displaced people on account of corridor development. The study has also taken into account the demographic profiling of BRTS commuters and their travel characteristics.

This study has adopted the questionnaire of the study conducted by Mahadevia, Joshi, & Datey (2013) with required modifications that suits the purpose of the study especially the attitude towards various factors of BRTS namely; reliability, safety, comfort during journey, availability, and ease of transaction.

Through the empirical study, the attempt is made to study whether the project has lived up to its expectations. The study relies on the analysis of the data obtained by the survey of 564 BRTS commuters in the city of Ahmedabad across the entire BRTS corridor both at peak and non-peak hours.

The three major research objectives that the study intends to accomplish are:

- a) To study whether the demographic characteristics of BRTS commuters is in sync with the Janmarg's motto of a 'system for one and all'.
- b) To study the travel characteristics of BRTS commuters.
- c) To study whether the Janmarg is successful in providing the core values through its value proposition of providing efficient, affordable, safe and secure public transport in the city of Ahmedabad.

The subsequent sections shall entail the research methodology adopted for the study, analysis, and conclusion of the study.

Methodology:

For this study the descriptive research design is adopted. To be very specific the research design adopted is single

cross-sectional design. This is so because a sample of 564 respondents (after elimination of incomplete questionnaire) is drawn from the target population (i.e. BRTS commuters) and the information is obtained from this sample only once.

Data collection method

The data is collected by interviewing the BRTS commuters on-board in the city of Ahmedabad. The structured interviews are undertaken for the purpose of data collection as research instruments. Here the questionnaire forms are filled by the researcher after eliciting required information from the respondents. Both open-ended and close-ended questions were asked and the interviews were taken both during peak hours (9:00 am to 11:30 am) and non-peak hours (05:00 pm to 08:30 pm).

The major reason behind the on-board interview of the respondent was to ensure the accuracy and reliability aspect of the details collected from the respondents. On-board survey is accepted to be the most accurate one because it yields "better information (accuracy, reliability, detail) from respondents" compared to other methodologies (TCRP Synthesis 63, 2005 as referred in (American Public Transportation Association, 2007)).

Sampling design

The sampling design entails the decisions on defining the target population, determining the sample frame, selection of sampling technique(s), and determining the sample size.

All the BRTS commuters above the age of 12 years are the target population for the study. The study has intentionally left behind the commuters up to the age of 12 years because the mode of commutation for such commuters is primarily decided by their parents and they are in many cases just accompanying their parents while commuting. The sampling frame for the study shall be the BRTS commuters who are physically commuting through BRTS during the survey. That is, the sampling element should have either boarded or un-boarded or is in the BRTS bus shelter waiting for the journey to take place or have just completed the journey. Since the on-board interviews were conducted, it was not possible to go ahead with the stratified sampling or cluster sampling. However, the researcher has travelled on all the BRTS routes, so that commuters from all the catchment areas where BRTS is operational, gets an opportunity to be considered for the survey. Hence, one can say the convenience sampling was considered for the study. A

decent sample size of 564 was taken for the study. This number is after the required elimination of incomplete surveys. As of early 2016, around 1.48 lakh passenger trips were served by BRTS. Hence, a sample of 564 respondents is sufficient.

Analysis:

This section shall deal with the analysis of the data collected and fulfilling of the research objectives that are outlined in the first section.

The demographic characteristics of BRTS commuters and its synchronization with the Janmarg's motto of a 'system for one and all'

In this section we shall examine whether the Janmarg's motto of a 'system for one and all' is in sync with the demographic characteristics of its commuters. The demographic characteristics that the research accounts for are Gender, Age, Household Income, Occupation, and Vehicles owned by BRTS commuters.

Gender of the BRTS commuters: It is observed that the sex ratio is more tilted towards the male gender (Table 1). Among the BRTS commuters surveyed, a whopping 75.5 percent of the commuters were male. Hence, it can be said that the BRTS is more male centric.

commuters respectively. A meager 5.3 percent of the total commuters come from families earning monthly less than or equal to Rs 10,000. To be precise, it was observed that there was not a single respondent with monthly household income less than Rs 7500/-. This essentially substantiates the fact that BRTS is not affordable by the commuters falling in the bottom of the pyramid category and they are often deprived of its services due to lack of the purchasing power to pay for their fares. In addition to it, the crucial fact remains that there is no woman participation from this category as well. The absence of women among the lower income group suggests that women from this category, who often are involved in the business of daily house chores, might be walking to the workplace. This essentially signals the residing of poor classes in the slums that are located at a walk-away distance from their workplace.

Among the commuters belonging to higher income group; i.e. household earning above Rs 40,000 per month, it could be seen that majority of them are male. Hence, we can for sure say that although BRTS was meant for all classes, the poor are deprived of its services due to affordability concerns and women are largely from the middle income and higher income groups.

Table 1: Monthly household income of the BRTS commuters

| All figures in % | | | | | | | |
|--------------------------|--------|-----------------------------------|---------|---------|---------|------|-------|
| | | Monthly Household Income (in INR) | | | | | Total |
| | | <=10K | 11K-20K | 21K-30K | 31K-40K | >40K | |
| Gender of the respondent | Male | 5.3 | 5.3 | 26.6 | 24.5 | 13.8 | 75.5 |
| | Female | 0.0 | 6.4 | 9.6 | 4.3 | 4.3 | 24.5 |
| Total | | 5.3 | 11.7 | 36.2 | 28.7 | 18.1 | 100.0 |

Income of the BRTS commuters: Majority of the BRTS commuters come from middle income groups (Table 1). Middle income groups with monthly household income 'Rs 21,000 – Rs 30,000' and 'Rs 31,000 – Rs 40,000' consist 36.2 percent and 28.7 percent of the total

Source: Primary survey

Age of the BRTS commuters: It is observed that a whopping 46.8 percent and 34.0 percent of the BRTS commuters fall in the age groups of '13-25 years' and '26-35 years' respectively (Table 2). The commuters from

Table 2: Age of the BRTS commuters

| All figures in % | | | | | | | |
|--------------------------|--------|-----------------------|-------------|-------------|-------------|-----------|-------|
| | | Age of the respondent | | | | | Total |
| | | 13-25 years | 26-35 years | 36-45 years | 46-60 years | >60 years | |
| Gender of the respondent | Male | 36.2 | 26.6 | 8.5 | 2.1 | 2.1 | 75.5 |
| | Female | 10.6 | 7.4 | 5.3 | 1.1 | 0.0 | 24.5 |
| Total | | 46.8 | 34.0 | 13.8 | 3.2 | 2.1 | 100.0 |

Source: Primary survey

the age group of '46-60 years' and '>60 years' are merely 3.2 percent and 2.1 percent. Hence, it is observed that BRTS services are not uniformly accepted among commuters across the different age groups. This trend is uniformly visible for both male and female commuters. While youth has embraced the BRTS services with great enthusiasm, it is yet to be accepted among the commuters from higher age groups.

Occupation of the BRTS Commuters: As far as the occupation of BRTS commuters is concerned, majority of them belong to the categories of students (33.0 percent), clerk/ supervisors (16.0 percent), professionals (16.0 percent), and 'housewives and other unemployed' (13.8 percent), as reflected in Table 3. Among the females, it is observed that majority of them are housewives (12.8 percent of the total commuters) followed by students and professionals with 5.3 and 3.2 percent of the total commuters respectively. Among the

male commuters, majority of the commuters are Students followed by 'Clerk/ supervisor' and Professionals with 13.8 percent and 12.8 percent respectively. Daily wage workers, Petty traders, and Sr. Executives/ Managers are in single digit with percentage share of 6.4 percent, 4.3 percent, and 2.1 percent respectively.

Vehicles owned by the BRTS commuters: It is inferred that majority of the commuters own Two-wheeler, Two-wheeler and car, and car with 68.1 percent, 19.1 percent, and 5.3 percent respectively (Table 4). The percentage share of commuters not owning any vehicle and bicycle alone is merely 3.2 percent each. This essentially is in sync with the fact that there are very less percent of commuters from the bottom of the pyramid, who essentially either don't own vehicle or possess just bicycle. The car ownership goes up with increase in income and two-wheelers are owned mainly by the commuters from the middle income groups.

Table 3: Occupation of the BRTS commuters

| All figures are in % | | | | | | | | | | |
|--------------------------|--------|------------------------------|-------------------|--------------|-------|-------------------|--------------|----------|-------------------------------|-------|
| | | Occupation of the respondent | | | | | | | | Total |
| | | Daily wage worker | Clerk/ Supervisor | Petty trader | Exec. | Sr Exec. Managers | Professional | Students | Housewives & other unemployed | |
| Gender of the respondent | Male | 5.3 | 13.8 | 4.3 | 8.5 | 2.1 | 12.8 | 27.7 | 1.1 | 75.5 |
| | Female | 1.1 | 2.1 | 0.0 | 0.0 | 0.0 | 3.2 | 5.3 | 12.8 | 24.5 |
| Total | | 6.4 | 16.0 | 4.3 | 8.5 | 2.1 | 16.0 | 33.0 | 13.8 | 100.0 |

Source: Primary survey

Table 4: Vehicles owned by the BRTS commuters

| All figures are in % | | | | | | | | |
|--------------------------|---------|--------------------------------|---------|-----------|-----|-----------------|---------------------|-------|
| | | Vehicle(s) owned by households | | | | | | Total |
| | | None | Bicycle | 2 wheeler | Car | 2 wheeler & Car | Bicycle & 2 wheeler | |
| Monthly Household Income | <=10K | 1.1 | 3.2 | 1.1 | 0.0 | 0.0 | 0.0 | 5.3 |
| | 11K-20K | 1.1 | 0.0 | 9.6 | 0.0 | 0.0 | 1.1 | 11.7 |
| | 21K-30K | 1.1 | 0.0 | 31.9 | 1.1 | 2.1 | 0.0 | 36.2 |
| | 31K-40K | 0.0 | 0.0 | 23.4 | 0.0 | 5.3 | 0.0 | 28.7 |
| | >40K | 0.0 | 0.0 | 2.1 | 4.3 | 11.7 | 0.0 | 18.1 |
| Total | | 3.2 | 3.2 | 68.1 | 5.3 | 19.1 | 1.1 | 100.0 |

Source: Primary survey

Hence, it could be concluded that although the *Janmarg* claims that it is a system for one and all, the fact remains that the *Janmarg* is mainly male centric, used by youth from middle income groups, and majority of the commuters occupied as students, clerks/ supervisors, professionals, and housewives. Also, there are very few commuters (5.3 per cent) from the lower income group with households earning monthly income up to Rs 10,000/-. To be specific, there is not a single respondent with monthly household income less than Rs 7,500/-.

Hence, the demographic characteristics of BRTS commuters are not in sync with the *Janmarg*'s motto of 'a system for one and all'.

Travel characteristics of BRTS riders:

Travel characteristics describe the travel behavior of BRTS commuters. The important characteristics studied here are access and egress mode, modal-shift, frequency of travel, and purpose of trip.

Access and egress mode: The primary means of commutation from the commuter's trip origin to a BRTS station and from BRTS station to the final destination is analyzed in this section. A bashing 79.8 percent of the BRTS commuters walk to the BRTS station to make a journey. The remaining modes namely auto rickshaw, AMTS (Ahmedabad Municipal Transport Services), and 2-wheeler contribute 13.8 percent, 4.3 percent, and 2.1 percent respectively (Table 5).

Table 5: Access and Egress Mode of BRTS Commuters

| Mode of commutation used to reach BRTS station from the place of origin. | | Mode of commutation used to reach final destination from BRTS station | |
|--|---------|---|---------|
| Access Mode | Percent | Egress Mode | Percent |
| Walking | 79.8 | Walking | 73.4 |
| AMTS | 4.3 | Cycling | 1.1 |
| Auto Rickshaw | 13.8 | Auto Rickshaw | 21.3 |
| 2-wheeler | 2.1 | 2-wheeler | 3.2 |
| Total | 100.0 | Car | 1.1 |

Source: Primary Survey

When it comes to mode of commutation used to reach the final destination from the BRTS station (i.e. in the egress mode) the similar trend as seen in access mode is observed (Table 5). Walking as a mode of commutation to the final destination from BRTS station is leading with 73.4 percent. It is followed by auto rickshaw, two wheeler, car, and cycling with 21.3 percent, 3.2 percent, and 1.1 percent each respectively.

The access and egress modes reveal that BRTS users either stay or work in the nearby catchment area across the BRTS corridor, as majority of them walk to the BRTS station and to the final destination from BRTS station (Table 6).

Table 6: Distance travelled in access and egress mode

| Distance travelled to reach BRTS station (km) | Percent (%) | Distance travelled to reach final destination from BRTS station (km) | Percent (%) |
|---|-------------|--|-------------|
| <=0.50 | 45.7 | <=0.50 | 30.9 |
| 0.51-1.00 | 34.0 | 0.51-1.00 | 40.4 |
| 1.01- 2.00 | 13.8 | 1.01- 2.00 | 18.1 |
| >2.00 km | 6.5 | >2.00 km | 10.6 |

Source: Primary Survey

Around 79.7 percent and 71.3 percent of the commuters respectively travel a distance up to 1 km to reach BRTS station and final destination from BRTS station (Table 6). This essentially throws light on improving the last mile connectivity so that more commuters from the catchment area beyond one kilometer are tapped into the system.

Modal-shift: It is to be noted from Table 7 that the majority (34.0 percent) of the BRTS trips are shifted from AMTS (i.e. another public transport system run by the Ahmedabad Municipal Corporation). This essentially signals route rationalization between AMTS and BRTS run by Ahmedabad Municipal Corporation. It was intended that there shall be substantial share of modal shift from 2-wheeler, car, and auto rickshaw to BRTS. However, it is observed that modal-shift from 2-wheeler, auto rickshaw, and car is 19.1 percent, 13.8 percent and 6.4 percent respectively. In addition to it, modal-shift from non-motorized modes of transit, i.e. walking and cycling are 1.1 percent and 2.1 percent respectively. I.e. the commuters from the lower income group who often walk or cycle to the workplace are not encouraged to shift to BRTS. A whopping 23.4 percent of the trips are newly induced trips by BRTS. It signals the increased mobility due to BRTS.

Table 7: Modal-shift to BRTS

| Modes of transport | Percent (%) |
|-------------------------|-------------|
| Walking | 1.1 |
| Cycling | 2.1 |
| AMTS | 34.0 |
| Auto Rickshaw | 13.8 |
| 2 Wheeler | 19.1 |
| Car | 6.4 |
| Trip was not undertaken | 23.4 |
| Total | 100.0 |

Source: Primary Survey

Purpose of the trip: From the Table 8, it could be observed that male commuters commute mainly for work, education, and recreation with a percentage share 23.4 percent, 21.3 percent and 10.6 percent of the total trips respectively. Among the female commuters, the purpose of the trips is mainly recreation, market/ shopping, and education with 7.4 percent, 6.4 percent, and 5.3 percent of the total trips respectively. Overall, it is observed that work and education trips are enjoying the highest share with 27.7 percent and 26.6 percent respectively.

Table 8: Purpose of the BRTS Trip

| <i>All figures in %</i> | | | | |
|-------------------------|------------------|--------------------------|--------|-------|
| | | Gender of the respondent | | Total |
| | | Male | Female | |
| Purpose of Trip | Education | 21.3 | 5.3 | 26.6 |
| | Work | 23.4 | 4.3 | 27.7 |
| | Market/Shopping | 8.5 | 6.4 | 14.9 |
| | Hospital/Health | 4.3 | 1.1 | 5.3 |
| | Recreation space | 10.6 | 7.4 | 18.1 |
| | Others | 7.4 | 0.0 | 7.4 |
| Total | | 75.5 | 24.5 | 100.0 |

Source: Primary Survey

Frequency of trips made by commuters: The frequency of trips made by commuters is widely and uniformly spread with 37.2 percent of the commuters travelling rarely, 25.5 percent each commuting daily and 4-5 times a week, and 11.7 percent of the commuters make trips 2-3 times a week (Table 9).

Table 9: Frequency of trips per week

| Frequency per week | Percent |
|--------------------|---------|
| Daily | 25.5 |
| 2-3 times a week | 11.7 |
| 4-5 times a week | 25.5 |
| Rarely | 37.2 |
| Total | 100.0 |

Source: Primary Survey

Hence, the travel characteristics of BRTS commuters reveal that majority of the commuters walk to the BRTS station from the origin of the journey to the BRTS station (access mode) and to the final destination from the BRTS station (Egress mode). This is in sync with the fact that majority of the commuters come from the catchment area that runs up to 1 km around the transit line. As far as modal-shift is concerned, a clear case of route rationalization is observed as majority of the BRTS commuters have shifted from AMTS to BRTS as the mode of commutation. This is followed by auto-rickshaws and two-wheelers. The modal-shift from non-motorized mode of transport is minuscule. Work and education

related trips are leading. They are followed by recreation and market/ shopping related trips. Frequency of trips is widely spread across the categories 'Rarely' to 'Daily'.

The attitude of BRTS commuters toward the BRTS services

The attitude of BRTS commuters toward the BRTS services were checked across six parameters namely; reliability, safety, comfort during journey, availability, and ease of transaction. The outcome of this analysis can be used toward the fulfillment of the third research objective as stated in the previous section.

The study through chi-square analysis examines whether the association between attitude towards the mentioned parameters and the clusters of the respondents exist or not. The clusters of respondents are formed using gender of the commuter and the peak/ non-peak hour trip variables. The strength of the association is further unearthed using the Cramer's V statistic and cross tabulation is used to see how each cluster responds to the attitude towards various parameters.

To examine the above mentioned statements, non-parametric Chi-Square Test is conducted at significance level, $\alpha = 0.05$; and the results are reflected in Table 11.

Description of the clusters: There are four clusters formed using the gender variable and the peak/ non-peak hour trip variable. The clusters are as shown in Table 10.

Table 10: Cluster formation using Gender of the Commuters and Peak/ Non-Peak Hour Trips

| Cluster | Percent |
|--|---------|
| Male Travelling during Peak Hour | 67.0 |
| Female Travelling during Peak Hour | 18.1 |
| Male Travelling during Non-Peak Hour | 8.5 |
| Female Travelling during Non-Peak Hour | 6.4 |
| Total | 100.0 |

Chi-square test results

The Chi-square test results are described for association between attitude toward various parameters and the cluster commuters belong to. The results are summarized in the Table 11. It could be inferred that there is statistically significant evidence of association between the attitude toward all factors viz a viz the cluster the commuters belong to. The strength of the association varies to a great deal. For instance, strength of association between attitude toward reliability and the cluster the commuter belongs to is highest with Cramer's V being .33 and the strength

of association between attitude toward availability of bus and the cluster the commuter belong to is the least with Cramer's value being .186.

the attributes concerning safety, comfort during the journey, availability, and ease of transaction of BRTS services.

Table 11: Chi-square test results for testing association between attitude toward various attributes and cluster of the commuters formed using gender and peak/non-peak hour trip variables.

| Attitude Toward | Chi Square test results | | | |
|------------------------|--------------------------|-------------------------------|------------|------------------------|
| | Pearson Chi-square value | P value (Asymp. Sig. 2-sided) | Cramer's V | P value (Approx. Sig.) |
| Reliability | 122.777 | .000* | .330 | .000 ⁺⁺ |
| Safety | 166.316 | .000* | .314 | .000 ⁺⁺ |
| Comfort during Journey | 88.041 | .000* | .228 | .000 ⁺⁺ |
| Affordability | 134.372 | .000* | .282 | .000 ⁺⁺ |
| Availability | 58.459 | .000* | .186 | .000 ⁺ |
| Ease of Transaction | 110.190 | .000* | .255 | .000 ⁺⁺ |

* There is significant association between the attitude and the Cluster the commuter belong to

⁺⁺ The strength of association is medium to high..+ The strength of the association is low.

Table 12 further brings out how the commuters from different clusters perceived various attributes of BRTS services. It shows that both male and female commuters travelling during peak hour are relatively less satisfied across the attributes like reliability, safety, comfort during journey, affordability, availability, and ease of transaction of the BRTS services compared to their counterparts commuting during the non peak hour. Across the spectrum, at aggregate level, the red flags are raised for

Hence, it would be too early to conclude that BRTS is successful in providing the core values through its value proposition of providing efficient, affordable, safe and secure public transport in the city of Ahmedabad when around 30 to 40 percent of the respondents are not satisfied across various attributes that the study took into consideration.

Table 12: Cluster-wise attitude toward various attributes of BRTS services

| | | % within Clusters | | | | |
|-----------------------------|------------------------------------|----------------------------------|------------------------------------|--------------------------------------|--|-------|
| | | Clusters | | | | Total |
| | | Male Travelling during Peak Hour | Female Travelling during Peak Hour | Male Travelling during Non-Peak Hour | Female Travelling during Non-Peak Hour | |
| Attitude toward Reliability | Neither satisfied nor dissatisfied | 23.8 | 5.9 | 0.0 | 0.0 | 17.0 |
| | Satisfied | 69.8 | 70.6 | 50.0 | 50.0 | 67.0 |
| | Highly Satisfied | 6.3 | 23.5 | 50.0 | 50.0 | 16.0 |
| Total | | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| Attitude toward Safety | Highly Dissatisfied | | 5.9 | | | 1.1 |
| | Dissatisfied | 12.7 | 17.6 | | | 11.7 |
| | Neither satisfied nor dissatisfied | 27.0 | 29.4 | | | 23.4 |
| | Satisfied | 52.4 | 35.3 | 37.5 | 66.7 | 48.9 |
| | Highly Satisfied | 7.9 | 11.8 | 62.5 | 33.3 | 14.9 |
| Total | | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

| | | | | | | |
|---|------------------------------------|--------------|--------------|--------------|--------------|--------------|
| Attitude toward Comfort during journey | Dissatisfied | 11.1 | 17.6 | | | 10.6 |
| | Neither satisfied nor dissatisfied | 33.3 | 29.4 | | | 27.7 |
| | Satisfied | 42.9 | 29.4 | 50.0 | 66.7 | 42.6 |
| | Highly Satisfied | 12.7 | 23.5 | 50.0 | 33.3 | 19.1 |
| Total | | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| Attitude toward affordabi-lity | Dissatisfied | 12.7 | 11.8 | | | 10.6 |
| | Neither satisfied nor dissatisfied | 19.0 | 11.8 | | | 14.9 |
| | Satisfied | 61.9 | 58.8 | 37.5 | 83.3 | 60.6 |
| | Highly Satisfied | 6.3 | 17.6 | 62.5 | 16.7 | 13.8 |
| Total | | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| Attitude toward availability | Dissatisfied | 6.3 | 17.6 | 12.5 | | 8.5 |
| | Neither satisfied nor dissatisfied | 25.4 | 23.5 | 25.0 | | 23.4 |
| | Satisfied | 47.6 | 35.3 | 37.5 | 100.0 | 47.9 |
| | Highly Satisfied | 20.6 | 23.5 | 25.0 | | 20.2 |
| Total | | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| Attitude toward Ease of Transaction | Highly Dissatisfied | 1.6 | | | | 1.1 |
| | Dissatisfied | 4.8 | 5.9 | 25.0 | | 6.4 |
| | Neither satisfied nor dissatisfied | 42.9 | 41.2 | | | 36.2 |
| | Satisfied | 36.5 | 41.2 | 50.0 | 100.0 | 42.6 |
| | Highly Satisfied | 14.3 | 11.8 | 25.0 | | 13.8 |
| Total | | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

AJL needs to take couple of measures to improve the overall experience of BRTS commuters. The study tries to summarize the suggestions put forward by the respondents in order to improve the overall services of BRTS. The suggestions made by respondents are in line

with the concerns they had regarding various attributes as discussed above. The suggestions are highlighted in the **Table 13**. A great amount of emphasize is given to increasing bus frequency especially during peak hours, improving safety and comfort during journey.

Table 13: Suggestions by commuters to improve BRTS services

| | | (Figures in %) | | | | |
|---|--|--|--|--|--|-------|
| | | TwoStep Cluster Number | | | | Total |
| | | Cluster 1- Male travelling during peak hours | Cluster 2- Female travelling during peak hours | Cluster 3- Male travelling during non-peak hours | Cluster 4- Female travelling during non-peak hours | |
| Suggestion to Improve BRT services | No suggestion/ Satisfied with services | 34.9 | 17.6 | 12.5 | 16.7 | 28.7 |
| | Increase bus frequency | 19.0 | 29.4 | 37.5 | | 21.3 |
| | Improve Ease of Transaction & affordability of service | 9.5 | | | | 6.4 |
| | Improve safety | 9.5 | 29.4 | 12.5 | | 12.8 |
| | Improve comfort and other value added features | 27.0 | 23.5 | 37.5 | 83.3 | 30.9 |

Findings & Conclusion:

The analysis conducted above reveals that BRTS service in Ahmedabad is predominately used by male commuters with a major purpose being work and education. Female commuters using BRTS are mainly from the middle and higher income groups and that too they commute for non-work related trips like recreation, shopping, etc. Hence, the women especially involved in performing daily household chores for earning their livelihood, live in the neighbourhood that is at a walking distance and the working women from middle and higher income groups use personal vehicles for commutation. This may be due to the fact that the safety, affordability, and comfort aspects of the BRTS, although being tilted towards the satisfaction side, need a major attention. The concerns on these aspects cannot be neglected as the value proposition (on safety, comfort, and affordability) that BRTS promises may be at stake. Overall, it is being observed that the BRTS facilities are largely used by the people from the middle income group. Especially, the study did not find a single commuter earning less than Rs 7,500/- month. This raises a question on the affordability concern to the poor classes. Also, the modal shift figures are in tune with the observations made so far. Majority of the commuters have switched from AMTS, 2-wheelers, and shared auto rickshaws. Shift from the non-motorized mode of commutation which is predominately used by commuters from the poor classes of the society is negligible. Also, the shift from the car mode as well is very less. Hence, both the rich and poor have stayed away from BRTS to a larger extent. The rich commuters stayed away on the grounds of safety, comfort, availability, etc and the poor commuters stayed away due to affordability reason. The newly induced trips as well are largely from the middle income group. AJL needs to work hard to achieve their motto of "System for one and all".

Suggestions:

The AJL needs to work upon to gain the popularity among female commuters. This could be achieved by increasing the bus fleet so that women feel safer and more comfortable taking BRTS ride. ULB should have sufficient fleet of buses and should be scheduled properly so that the overcrowding and the problems associated with it such as pick-pocketing, harassing female commuters, etc are kept at bay. The shift from the original philosophy of "Connecting busy places but avoiding busy roads" seems to be a very costly affair. It hurts the value proposition of

the system of BRT, i.e. speedy, reliable, and safe journey. This may subsequently cause damage to the brand image and the system as a whole may have to pay a price for it. Care should be exercised in future that such mistake is not repeated again. To harness the greater benefits of BRT system and to justify the spending on the project, AMC will have to aggressively promote the services among commuters using 2-wheelers and 4-wheelers for commutation. AJL needs to come up with a marketing program for promoting the services. It is high time that AJL markets the benefits in terms of reduction in pollution, reduction in operating cost, reduction in time consumed to commute, improved safety and comfort if commuters opt for this services. A clear message that "If you care for your city and its environment take a BRT ride" has to be conveyed very loud and clear. The major challenge lies in attracting both the poor and the rich to use BRT services. This demands differentiated services as the needs of poor and the rich will be different. High end BRT services, with premium fares, to cater to the potential commuters from cars would be a good option as it can take care of the subsidized fares charged to poor.

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Financial Inclusion: Reflections from International and Indian Literature

Jasmine Gupta¹

Abstract

Financial inclusion is the delivery of financial services to all sections of the society. It is important for achieving overall economic growth of the country. However, most of the developing economies including India, still struggle with problems of financial exclusion and financial literacy. World over, researchers and academicians have studied financial inclusion from different perspectives and tried to highlight the situations prevailing in different regions. This research paper is an attempt to reflect important researches carried out worldwide in this direction.

Index points: Financial inclusion, banks, financial literacy, economic development.

Introduction

A financial system plays a very important role in the economic growth of a country, intermediating between flows of funds, resulting in mobilization and allocation of scarce resources (Makesh, 2014). Financial institutions, which form the vital component of the financial system, are mainly composed of banks.

Banks have played a key role in economic growth, particularly since the economic reforms. The financial sector reforms in India since the nineties aimed at increasing operational efficiency, strengthening supervision over banks, and creating competitive conditions. Even decades after the Indian independence, the nexus between banks and the industry, and the neglect of fund requirements of agricultural sector continued to be a cause of concern (RBI, 2008). The flaws of rural credit including falling short of right quantity, being not the right type, not serving the right need and often not going to right people (Makesh, 2014) permeated into the system and the absence of change in focus from 'credit worthiness' to 'purpose worthiness' failed to bring in equitable economic development.

As far as India is concerned, even after more than six decades of independence, a large section of Indian population still remains unbanked. This melancholy has led to financial instability among the lower income group who do not have access to financial products and services. However, in the recent years the government and Reserve Bank of India have been aggressively pushing the concept and idea of financial inclusion to meet this problem.

In India, financial inclusion first featured in 2005, when it was introduced, from a pilot project in Union territory of Pondicherry, by K C Chakrabarty, the

Chairman of Indian Bank. Reserve Bank of India in collaboration with the Government of India had formulated a policy namely Financial Inclusion Policy (2005) for the financially excluded. The policy was framed with the objective of employment generation, asset creation and increase of income which would help in the upliftment of the weaker or poor people. Formal financial institutions, NGOs and SHGs help in inclusive growth through financially including the lower income and weaker sections of the population (RBI, 2005).

A broad definition of financial inclusion refers to delivery of financial system at an economy to its members. The Government of India's Committee (Rangarajan Committee's Report, 2008) on 'Financial Inclusion in India' defines financial inclusion 'as the process of ensuring access to financial services and timely adequate credit where needed by vulnerable groups such as the weaker sections and low income groups at an affordable cost'.

Objective of Research

The objective of this paper is to highlight a review of research papers/works carried out by researchers and academicians nationally as well as internationally in the area of Financial Inclusion. The focus, objectives and findings of some major research works are described in this paper. The literature review has been segregated into two broad segments - International level research and National level research studies.

Review of International Studies

Chima (2010) observed the sub-prime crisis that hit US and UK which clearly showed how FI measures can fail when not backed by strong policy and

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regulatory measures. The sub-prime crisis brought to fore the fact that inclusion at higher than normal rates and indebtedness arising out of it, cannot be sustainable.

Appleyard (2011) studied the role of Community Development Finance institutions (CDFIs) in certain geographical areas of US and UK in providing enterprise finance to SMEs. CDFIs help overcome financial exclusion by providing local sources of loan finance to micro, small-and-medium-sized enterprises and social enterprises. According to Appleyard, in spite of laudable work done by CDFIs, due to policy initiatives, significant gaps in the market and uneven geographical coverage got created that has led to financial exclusion.

Cohen and Nelson (2011) presented the various facets of financial literacy. Determining the type of delivery channel -whether it will be a classroom face-to-face training or through print, mass media or digital technology, whether it should be undertaken by financial institutions or informal institutions and their scope of coverage are important to building a financial literacy model. How to evaluate the success of the model, whether by the incremental number of accounts opened, or by the increased savings rate in accounts or by improved financial condition is also explained in their research work.

According to Demirgüç-Kunt and Klapper (2012) who attempted to study FI in Africa using Global Findex 2011 data to understand the usage of formal account and credit, less than a quarter of adults use formal account. World Bank Enterprise Survey data was also analysed by them to understand the usage of financial services in Africa by SMEs as compared to other developing countries. According to Kunt and Klapper, bank financing to SMEs is less than 8%.

Diniz (2012) conducted a case study of Autazes, a country in the Amazon region not served by banks until 2002, when a business correspondent started its ICT- based operations there. It resulted into socio-economic development of the people due to government benefit transfers and other banking services delivered at their doorstep. However over-indebtedness, social exclusion practices and power asymmetries created many bottlenecks. Diniz concluded that the efforts need to be complemented with proper financial education for maximum benefit.

According to Aduda and Kalunda (2012) both access and usage of FI are supplementary to each other

and both need to be assessed to measure FI. Their study of FI in Kenya found that Informal financial services should also be included in overall FI framework as they play a big role in promoting FI in developing countries, apart from the formal banking models.

According to Rhyne (2012) number of accounts is not a true measure of FI. Whether people use the accounts for transacting is more important. In fact, the purpose of FI is to make people capable of money-management, either through traditional or mobile channels. The money tracking tools developed need not copy the model of middle class people in developed countries, but need to reckon with how people in their respective countries or regions manage money today.

Yang and Seshan (2012) studied the transnational household finance management by migrant Indian workers in Qatar. The fact that a short, simple financial education initiative had identifiable and large effects on financial behaviours and outcomes is one of the key findings of their study. Thus financial literacy interventions have real potential to change migrant financial behaviours and efforts need to be increased to impart financial literacy to the migrant workers as well as their wives in India.

Kempson and Collard (2012) reviewed UK's progress towards financial inclusion, and developed an evidence-based vision for achieving financial inclusion over a ten-year timeframe. Their vision was that everyone should have access to, use and retain an appropriate account, or equivalent product, into which income is paid, and that can be held securely and accessed easily. It also included that everyone had the confidence and knowledge to make appropriate use of financial services for both day-to-day and periodic needs.

Owens (2013) attempted to study the various digital financial services offered globally, especially in emerging economies for financial inclusion and lessons learnt from it. While mobiles are having wider adoption than financial products, mobile technology along with other digital services like electronic payments/ fund transfers, smartcards, virtual cards, e-money, institutional partnerships, etc. can bring about faster and sustainable low-cost financial inclusion.

D'alcantara (2013) suggested bank-post office partnership for promoting financial inclusion in rural areas, where the cost of setting up branches may be high.

According to him, the already high presence of post offices in rural regions can be used to cross-sell financial products and thus economies of scale can be achieved by the partnership. This is the best model for countries like Brazil or India.

According to Dancey (2013) financial inclusion and social inclusion are part of the same effort. Poverty reduction is possible to some extent by social protection through cash transfers. Government agencies delivering the cash transfers seek the means to lower the processing costs, reduce fraud and leakage, as well as improve access for the financially underserved. For the recipient, there is a need for safety and control over the funds, convenient access and reliable payment methods. Hence it is imperative to invest in a technologically sound government transfer program.

An important study carried out by Demirgüç-Kunt and Klapper (2013) attempted to compare FI in 148 countries and found that 50% of world population is still unbanked. The variations amongst countries depend on the economic development and income levels in various countries. For half of all adults around the world who remain unbanked, barriers to account use, such as cost, distance, and documentation requirements, shed light on potential market failures and provide guidance to policymakers in shaping financial inclusion policies.

According to Aker (2013) who conducted a research in Northern Ghana to evaluate the effectiveness of mobile money in promoting savings, while people were enthusiastic about adopting e-money where almost 100% got themselves registered, only 10-25% used it and too after money transfers were made in the account. However the author concluded that the low usage could be due to poor mobile connectivity and lack of people's trust in mobile money.

The Global Findex Database (2014) revealed that 62% world adult population has an account with a bank, financial institution or mobile money provider. The increase in account penetration has happened due to innovations like mobile money. However there are still bigger opportunities to be explored for increasing financial inclusion amongst women and poor people. Governments and the private sector can play a pivotal role by shifting the payment of wages and government transfers from cash into accounts.

Parker and Sachdev (2014) observed that FI is merely a CSR activity with banks, interested in short-term profits and quarterly performances. FI should be considered a long-term strategic opportunity and so banks need to focus on Market Level P/L (Profit/Loss) to appreciate its true potential and design products and services based on this approach. Taking an example of goMoney, a mobile banking platform by banks in Australia and New Zealand, a Market level profit model was proposed by the researchers.

Bayero (2014) conducted a study to analyse the effects of the Cashless Economy Policy on Financial Inclusion in Nigeria. The regression and other analyses proved that awareness, customer value proposition and infrastructure have a significant effect on financial inclusion and Business Models of financial service providers did not have a significant relationship with FI.

Anzoategui (2014) analysed the impact of remittances on financial inclusion. Household survey data of El Salvador was used to study if remittances had any role to play in people going for deposit account or bank credit. It was revealed that while remittances had a positive effect on savings account penetration, they did not have any significant impact on credit from financial institution.

Schutts (2014) evaluated the role played by traditional retailers in FI in Indonesia. According to him, the retailers are the link between the well-banked suppliers and the financially excluded customers, and their transition from cash to electronic payments will pave the way for financial inclusion. When they start paying their suppliers electronically, they will be incentivised to push their customers to pay electronically, thus creating a chain value reaction that percolates through the entire supply chain system.

Taking an innovative approach, Robles (2014) emphasised the role of family learning for promoting financial literacy. Learning of financial concepts developed around the commonly known games like Bingo or Housie involving entire families can ensure that learning is absorbed in a practical manner. Introducing such programs during festivals can attract the attention and participation of all families and boost financial literacy.

Siddik (2014) studied the behavioural aspects of consumers towards mobile banking in Bangladesh and realised that high internet and SMS cost, security related

beliefs, unawareness of all financial and non-financial transactions possible through mobile banking are the factors responsible for less use of mobile banking in the country. The results can be useful to banks and policymakers to encourage use of mobile banking.

An important work was carried out by Cámara and Tuesta (2014) who developed a multi-dimensional index to measure the level of FI in 82 countries. The degree of financial inclusion is determined by three dimensions: usage, barriers and access to financial inclusion. It was found that the degree of financial inclusion is highly correlated with some macroeconomic variables such as GDP per capita, education, efficiency of a financial system and financial stability.

Review of National Level Research Studies

Highlighting the role of different players in reducing financial exclusion and enhancing inclusion, Dev (2006) emphasised that financial exclusion is high amongst small and marginal farmers and that apart from banks; informal sector also needs to play an important role. The role of SHGs and MFIs is also very crucial. This requires new regulatory procedures and depoliticisation of the financial system.

Srinivasan (2007) suggested that in order to compete with the moneylenders and bring the exploited population within formal financial channel, banks will need to innovate and create new products and delivery and payment systems. They can learn from moneylenders' models and improvise on that to achieve the desired FI. At the same time, consumer education and advisory services will also pave the way for banks' FI success.

Venkataramany and Bhasin (2009) evaluated the success of SHGs in promoting FI in India. The SHGs are linked to commercial banks and lendings undertaken by them form a part of the banks' priority sector lending. Most of these SHGs, in fact 90%, are run by women groups and thus women emancipation is also a positive by-product of this initiative. Even Mutual funds can now recognise SHGs as partners for driving SIPs (systematic investment plans) and promote savings.

Bhatia and Chatterjee (2010) presented the real picture of FI by conducting a study of extent of FI in the slums of Mumbai, a metro city where availability of financial services was not an issue. The results revealed that 96% of slum dwellers had identity proof. In spite of that only 66% had a Savings bank account and that too

only in Public sector or Co-operative Banks. None of them had accounts in Private banks which suggested that they were not comfortable dealing with the elitist nature of banks. Only 2% had taken loans as they could not provide the collaterals required. As per their survey, no frill accounts showed low penetration of less than 1%, thus proving the low focus of banks on this product. More than half the account holders used mobile banking. All these findings can form the basis of policy decisions.

Sarma (2010) created an Index for measuring financial inclusion which is simple to understand and compare economies. 0 stands for complete financial exclusion and 1 stands for complete financial inclusion. The countries can also be ranked on the basis of IFI (Index for Financial Inclusion). A multi-dimensional approach has been used with banking penetration, availability of banking services and usage as the three key dimensions.

Swamy (2011) attempted to study the issues and challenges facing financial inclusion. He emphasized the role of Post Offices, IT Solutions, effective propaganda of Government's Project on FI, easy documentation and low cost credit as the key methods for encouraging financial inclusion.

Kodan, Garg, & Kaidan (2011) analysed not only the low penetration of FI in the seven states of North east region, but also the reasons as to why the efforts of RBI and Government are falling short in this region. The region has some serious limitations with respect to FI due to the topography, population density, poor infrastructure, low commercialisation, low network of bank branches, lack of awareness of banking services, inadequate payments systems, etc. They also pointed out that the support from NGOs is also crucial along with RBI initiatives.

Chattopadhyay (2011) examined the extent of financial inclusion in West Bengal. He constructed an index of financial inclusion, which can capture information on several variables in one single number. Such a measure is useful to compare the levels of FI across economies and across states within countries at a particular time period. The IFI takes values between 0 and 1, zero indicating lowest FI and 1 indicating complete FI. The data for calculating IFI has been taken from banking statistics of Reserve Bank, Census of India and Bureau of applied economics and statistics, Government of West Bengal. Survey was conducted in 3 districts of West Bengal and

it was observed that although various measures have been undertaken for financial inclusion, the success is not found to be considerable. However, only supply side factor is not responsible for the financial exclusion. Demand side factors are also equally responsible for this exclusion. Thus there is a need to solve both these problems with the help of appropriate policies.

Gupte, Venkataramani and Gupta (2012) attempted to develop an Index of Financial Inclusion (IFI) taking into consideration all the multi-determinants of FI. The key three dimensions for the index were taken to be penetration, availability and usage. This IFI gives a single number between 0 and 1 which tells us the extent of financial inclusion. 0 means complete financial exclusion and 1 means complete financial inclusion in an economy. The index can help conduct cross- country comparisons and ranking.

Choudhary (2012) carried out a survey in Dhanbad district of Jharkhand and depicted that though it is famous as coal capital of India, 50% of its population is below poverty line. Rural scenario is worse especially for people working outside the coal sector. Financial inclusion is the only cure to reduce poverty here. Efforts by Bank of India, MFIs, NABARD and NGOs for credit and financial literacy are paving the way towards pushing people out of poverty and illiteracy.

Hameedu (2012) analysed the various ways in which financial inclusion is measured across the world. According to him, addressing financial inclusion will require a holistic approach on the part of the banks in creating awareness about financial products, education, and advice on money management, debt counselling, savings and affordable credit. While existing initiatives in measuring financial inclusion are commendable, there is a need for greater focus on the micro and distributional dimensions.

Cnaan, Moodithaya & Handy (2012) analysed that FI is high (77%) in the four southern states of India where they conducted their survey, namely Karnataka, Andhra Pradesh, Tamil Nadu and Kerala, as compared to All India average of 59%. However according to them, just having an SB account is not a true determinant of financial inclusion. Insurance penetration of 34% and use of investment services, credit cards and loans and other services at 10% indicates that masses are still unaware of the plethora of financial products and services that can improve their living conditions.

Bhanot, Bapat, & Bera (2012) conducted a survey of 411 households in Assam and Meghalaya and found that the penetration of FI is as low as 18% as measured by bank account and 6% as measured by bank credit. Areas where post offices are present show higher FI. It is not easy to make facilities available in the hilly areas where financial literacy is very low. The survey findings are useful for banks and policymakers for forming their North-east FI strategy.

Kumar (2013) carried out a significant study examining the various determinants of financial inclusion by using data of 29 states and union territories from 1995 to 2008. Though the supply side numbers are showing remarkable progress, the demand side penetration is not able to keep pace with population figures. Employment generating activities in backward areas, industrial boost and entrepreneurship focused activities can correct this situation to a big extent by reducing poverty.

According to Say, Gupta & Singh (2013), the RRBs (Regional Rural Banks) have made many FI efforts in Jharkhand, however, there are many gaps in terms of inadequate finance through NABARD, lack of coordination between RRBs and other FI bodies, inadequate branch expansion and regional level branch network imbalances which impedes the growth of FI in Jharkhand. They mentioned that RRBs also need to play a crucial role in raising the financial literacy of people in their rural regions.

Gandhi (2013) emphasised the need for profitable and sustainable FI models for banks. While FI may be a social responsibility right now, it has the potential to become a business opportunity provided banks build a profitable model by product innovation and diversification, use of technology and corporate-subsidiary model adoption. According to him, banks need to think 'out of the box' to bring about FI in a profitable manner.

Sinha (2013) developed an Index of FI to enable cross- state comparisons using the BCC Envelopment and Free Disposal Hull Approach. Huge disparities exist in terms of FI in the 29 states and UTs of India. Developing an Index in spite of the regional asymmetry that exists amongst the states in India is a challenge. The index is based on data of one-year and can enable state-wise rankings of extent of FI.

Sharma and Kukreja (2013) analysed secondary data and figures of RBI, NABARD and other

books and articles to conclude that a lot needs to be done to achieve complete financial inclusion. ICT based models, opening of rural branches, GCCs, no-frills accounts, credit delivery, financial literacy - need to be encouraged. A nation can grow economically and socially only if its weaker section can turn out to be financial independent.

Makeish and Kuzhuvelil (2014) studied the causes and effects of financial inclusion the world over. Both the demand and supply side reasons are analysed by them and various methods that can be used to measure financial inclusion have been suggested. The level of access of financial services, the usage of financial services and products and the cost of using the products as a portion of income are the suggested measurements for financial inclusion.

According to Bhave (2014), though many supply side measures have been taken by RBI and Government and through the Financial Inclusion Plans (FIPs - 2010-13, 13-16) in the next FIP (2016-19); emphasis should be placed on the needs of the customer. Efforts to ensure that the customer is capable of adopting and using FI by making him educated and employable will reduce the gap between rich and poor and lead to complete financial inclusion.

Joshi (2014) explored the level of FI of the urban poor of Nagpur city and found that 66% of urban poor forming the unorganised sector have a bank account but still do not use the banking services like lockers, ATMs, loans, etc. Though availability of services was not an issue, lack of awareness, guidance and transparency emerged as the main reasons for non-usage of services.

Gupta (2014) emphasized the need for credit in the overall FI strategy as small and marginal farmers are still dependent on money lenders and are not able to use institutional credit. A comparison of FI with developed and developing countries is done by the author to understand the differences. The role of NGOs and SHGs has been emphasised. According to her, FI is not just about opening an account and credit should also form an important part of FI measurement.

Sachdeva & Gupta (2014) studied the demand and supply side factors influencing financial inclusion in rural India. Adult education, use of regional language, ubiquitous technology, mobile banking and e-Governance

are the need of the hour to bring the unexplored rural population within the FI fold.

Kumar (2014) evaluated the Pradhan Mantri Jan Dhan Yojana (PMJDY) as a mission towards eradicating financial exclusion in India. The PMJDY is an all-comprehensive mission where the focus is not just on opening bank account but also offers Rupay Debit card with accidental insurance of 1 lakh and also OD facility upto Rs. 5000. However financial literacy and transactions in accounts is critical to sustain its success.

Singh et al. (2014) attempted to study the various issues of financial inclusion in India. Since 2005 many efforts have been taken by RBI and Government to encourage FI, however success has been slow. It has been recommended that by focusing on utilizing the existing resources such as mobile phones, banking technologies, India Post Office, fair price shops and Business Correspondents (BCs), a fair and efficient FI system can be developed which is viable and sustainable in the long run.

Conclusion

It can be concluded from exhaustive literature research that many research studies in the field of financial inclusion have been undertaken in US, UK, African countries such as Kenya, Nigeria and Ghana, Qatar, Brazil, El Salvador, Australia, New Zealand, Indonesia and China. Even many cross-country comparative studies have been done by researchers. This leads to the fact that financial inclusion is a prime concern not only in developing or emerging economies but even in developed nations. To be financially included is every citizen's right and government of a nation needs to take special efforts to promote financial inclusion.

Moreover review of research studies across the country revealed that, research has been carried out in Maharashtra (Mumbai and Nagpur), West Bengal, and different areas of North-east region such as Assam, Meghalaya and Mizoram, Southern states of Karnataka, Tamil Nadu, Andhra Pradesh and Kerala, as well as Jharkhand. Even researches indicating cross-state comparisons have been found.

Furthermore, research works have concentrated on FI issues such as BC model / Bank Mitra, problems related to financial exclusion, banks' initiatives for achieving FI, adult education, financial literacy and

development of FI Index for measurement of financial inclusion.

However, this is not the end and research in this direction would continue to evolve as economies mature and new initiatives are taken to make financial inclusion sustainable and effective.

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The Experiential Dynamics of Cherishing and Coping With Mobile Phone Addiction: A Consumer Behaviour Model Using Exploratory, Qualitative, Grounded Theory Research Methodology

Manish Dholakia¹ and Raashidsaiyed²

Abstract

The marketing paradigm "people buy experiences, not products" has assumed much significance in recent times. Mid-eighties onwards, much of acclaimed non-positivist research focus in consumer behaviour shifted from creating products to creating experiences. To create experiences, it is imperative to gain deeper understanding into the noema and noesis i.e. what kind of experiences consumers experience, how experiences are experienced, especially into how situational events and human nature influence the experience process which was the focus of this research paper. An integral part of the Findings and Thesis Propositions of the author's ongoing Doctoral Research (2013-2017), this paper incorporates an exploratory, qualitative research methodology using purposive, theoretical and judgemental sampling, gathering empirical data and validating it through triangulation of primary sources and qualitative tools of in-depth interviews, focus groups and literature review, drawing on qualitative, grounded theory framework for data analysis, validation and representation.

The paper concludes with presenting the findings in a consumer behaviour model which highlights the paradoxical paradigm shifts in today's mobile-culture society across various age and occupational profile segments. Cause and effect propositions are established, delineating antecedents relating to dimensions of individual human nature, parenting, socio-cultural norms, technological forces, contextual factors like situational life occurrences and intervening aspects like online channels and budget. The hypothetical model propositions hold theoretical validity for consumers with individual psychographic and behavioural differences leading to consequential consumption outcomes, representing potential implications and insights for consumer behaviour literature, marketing practitioners, entrepreneurs in the telecom space and for society in general.

Keywords: Experiencing experiences, situational experiences, experiential consumption, qualitative research, focus groups, depth interviews, grounded theory, phenomena, mobile phones, smartphones, mobile addiction, consumer behaviour model, marketing

Introduction, Background & Rationale

The idea for the objectives and research questions for this study was inspired by the Research Priorities for 2012-14 of Marketing Science Institute, USA¹. Every two years, Research Priorities are identified by an MSI panel (headed by noted marketing academician and author Kevin Lane Keller), comprising reputed academicians and senior industry representatives. MSI aims to bridge academia-industry knowledge and practice gap through research that focuses on actual marketing challenges faced by their Fortune 500 member companies. Evidenced by a shift in focus from product creation to experience creation for consumers at cognitive and affective levels before, during and after consumption, led to prioritising the research needs. A majority of consumer experience success stories in retail, banking and other services sector have been witnessed in recent years, involving social aspects of shopping in malls including the idea that 'shopping is a form of entertainment, just like the movies or the zoo; in retail stores, unlike

Darwin's theory, 'the environment adapts to the organism and not the other way around' ('Why We Buy' - The Science of Shopping- Paco Underhill 2009).² Question is how far, if at all, such experiences can be created in marketing of products.

- o What accounts for consumer experiences that are remembered, interesting, repeated and valued?

- o How can we gain relevant insights into positive consumer experiences?

To create cherished experiences, it is more imperative than ever, to gain deeper understanding into the consumers' experiential world, what kind of experiences consumers experience, how experiences are experienced and as a precondition for predicting behaviour, to be able first, to explain the antecedents, contexts and consequences of such experiences, which is the focus of this paper - and which is why qualitative methods with depth interviews and grounded theory were chosen, being most appropriate for the purpose. Mobile

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phones (Smartphones including feature phones) were chosen as the product category were chosen since one, it is a pervasive, symbolic and functional possession and enabler of personal consumer experiences in today's world and two, because the highly competitive scenario

in the Indian Mobile handsets market provided immense research potential.

Research Objectives & Purpose

This research paper seeks to address three objectives:

Table 1: Research Objectives, Questions & Purpose

| No. | Objective | Research Question |
|-----|---|--|
| 1 | To delineate situational experiences of urban mobile phone consumers, which are remembered, interesting, repeated and valued. | How do urban mobile phone consumers describe their situational pre-purchase, purchase, consumption and post-consumption experiences which are remembered, interesting, repeated and valued? |
| 2 | To delineate antecedents of such situational experiences of urban mobile phone consumers, which are remembered, interesting, repeated and valued. | What are the common characteristics in affect, cognition, environment and behaviour with respect to such situational pre-purchase, purchase, consumption and post-consumption experiences of urban mobile phone consumers, which are remembered, interesting, repeated and valued? |
| 3 | To delineate characteristics of urban mobile phone consumers who experienced such situational experiences which are remembered, interesting, repeated and valued. | What are the demographic, psychographic and consumption related characteristics of urban mobile phone consumers who experienced such situational pre-purchase, purchase, consumption and post-consumption experiences which are remembered, interesting, repeated and valued? |

Delineating the core phenomena and narrating the essence of meanings of consumers in the Findings fructifies the above objectives; explaining the Model in grounded theory format (cause and effect) was the purpose of this paper.

Literature Review

Literature review in Qualitative Research was done for this research as per established guidelines, studied more for the purpose of understanding established theoretical concepts published by giants in the field on the topic of research, than to formulate hypothesis or variables based on a particular theory. Abraham Maslow's (1962)³ 'peak experience' concept as 'moments of happiest happiness and fulfilment' deserve mention, so do the 'wheel of consumer analysis (WOCA framework) by Peter & Olson⁴ which explains dynamic interrelationships of consumer affect, cognition, consumer behaviour and consumer environment in influencing marketing strategy. The Thought-Emotion-Activity-Value (TEAV) Model by Hirshman⁵ (1986) includes all types of consumption, including those covered in the traditional Consumption-Affect-Behaviour-Satisfaction (CABS) Model (Engel, Kollat and Blackwell, 1968, Howard-Sheth⁶ 1969, Nicosia 1966). Relevant literature reviewed

included experiential marketing; to quote O'Sullivan and Sprangler⁷ (1998) 'life is not measured by the number of breaths we take, but by the moments that take our breath away'; consumers' 'means-end chain' in marketing (Edward Tolman 1933)⁸, laddering interview as an interview technique (Peter & Olson)⁴, consumption experiences in Holbrook and Hirshman's seminal works (1982)⁹ on hedonic consumption, Brian Lofman¹⁰ on instrumental vs. hedonic consumption and experiential perspective of consumer behaviour as an alternative to the information processing and decision making approach. Concepts of symbolic meaning given by Levy¹¹, the seminal HBR article of Pine and Gilmore¹², 1998 in 'The Experience Economy' and by Berndt Schmitt¹³ on experiential marketing 1999 catapulted the significance of focusing consumer behaviour thought and practice of the 'experiences' dimension to centre stage.

This research paper positions itself among the Experiential perspective of consumer behaviour, gaining a lot from literature review of the TEAV Model (Thought - Emotion - Activity - Value) proposed of Holbrook & Hirshman, Brian Lofman, Pine and Gilmore, Berndt Schmitt and other literary giants.

Research Philosophy, Methodology And Sampling Justification

This qualitative research takes the ontological perspective of non-positivism; in that multiple realities do exist¹⁴. As opposed to the positivist worldview that there is one single truth and the researcher's job is to find it, this paper holds the view that the nature of truth or reality varies from person to person and is subjective. This paper takes a social constructivism research paradigm approach, in that consumer experiences and the meanings they internalize and interpret from their experiences with a particular product or brand are different - and to each, the truth is how they individually perceive it. Qualitative and interpretive research recognizes this complexity; the research focus here is to understand the multiple views and subjective experiences and make sense of the meanings such experiences have for consumers with purpose of inductively developing the theory.

Research Tools & Techniques

Emerging insights and findings have been made possible by using relatively nascent Qualitative grounded theory methodology in India, inspired by its much respected status, acceptance and respect amongst researchers in the more developed Western countries US, Europe and research scholars at IITs and IIMs. Exploratory, Qualitative research methodology were used using audio recorded narratives, life story incidences and observations from focus groups, depth interviews for gathering rich data which were gathered, analyzed and represented here qualitatively, supplemented by literature review. The following multi method qualitative study data collection methods and sampling techniques have been chosen, as recommended by research methodology stalwarts:

- a) Face to face semi-structured in-depth interviews to collect primary data from respondents. 'In an exploratory study, depth interviews can be very helpful to find out what is happening and to seek new insights' (Robson¹⁵ 2002:59 as in Saunders et

al.) and to probe consumers' explanations of their meanings to capture their narration/stories of experiences.

- b) Focus groups discussion/ interview (Krueger & Kasey¹⁶) being an information - rich source of interviews (Malhotra & Dash¹⁷ 2010), a strength of this research is the use of a validated, modified Mobile Phone question script for conducting interviews)
- c) Researcher Observations (Saunders¹⁸ 2011 ibid) to support the primary research, including participant observations, memos, transcripts, documented records and diary notes from learnings from interviews, secondary sources, academic and/ or scholarly journals and interactions, textbooks, published literature, conferences, newspaper articles, websites.

Sample Composition, Size and Validity of Findings in Qualitative, Grounded Theory Research

'Sample size depends upon the research objectives, upon what is useful, credible, and feasible in terms of available resources of time and cost, and the validity of insights gained from the data have more to do with the data collection and analysis skills of the researcher than the sample size]- (Patton²⁰⁰²)¹⁹. Guest²⁰ et. Al (Saunders 2011) suggest a sample size of 12 respondents for depth interviews within a homogeneous group. If the sample is drawn from a heterogeneous population or if the focus of the research question is wide ranging, John Creswell¹⁴ (2007) suggests a sample size of 25 to 30 interviews until data saturation. Accordingly, a pre tested interview script enabled relevant data procurement from a non-probability sample size of 45 respondents as under using purposive, judgmental and theoretical sampling, confirming to qualitative research protocols as recommended by above acclaimed research methodology giants. Demographic representation of sample size of urban consumers of mobile phones (middle class and above category) is as under:

Table 2 : Sample Composition : Methodology Wise

| Age Group | Male | Female | Total |
|-------------------|------|--------|-------|
| DEPTH INTERVIEWS | 11 | 10 | 21 |
| FOCUS GROUPS | 12 | 12 | 24 |
| TOTAL SAMPLE SIZE | 23 | 22 | 45 |

Table 3 : Sample Composition : Age & Gender Wise

| Age Group | Male | Female | Total |
|--------------------------|-----------|-----------|-----------|
| Group A (15 to 30 years) | 16 | 16 | 32 |
| Group B (31 to 45 years) | 4 | 2 | 6 |
| Group C (46 to 60 years) | 2 | 3 | 5 |
| Group D (61 to 75 years) | 1 | 1 | 2 |
| Total Sample | 23 | 22 | 45 |

Overall, the gender ratio approximates the actual prevalent proportion as in the Gujarat Census 2011²¹, with diverse age groups; occupational background varied from college students to CAs to Doctors, corporate professionals, housewives, retired people of both genders across ages 15 to 70 years, representing urban majority. As a validation of the sampling techniques for this paper, Saunders¹⁸ et al. (2011) emphasizes relationship between sample selection technique and purpose and focus of research questions where, 'generalizations of findings are made to theory and not to the population'.

PerJohn Creswell¹⁴ "A Theory is thus built or generated without any pre conceived ideas or variables decided by the researcher - the phenomenon as it is experienced by research participants in a Grounded Theory study emerges and comes from the respondents themselves, from the ground upwards". In the words of May (1986, as in Creswell) "The findings are the theory itself, i.e. a set of concepts and propositions that link them"; contrasting with the traditional top down approach and that is how it is different from the positivist (quantitative) research approach of starting with theoretical concepts or variables from existing literature or pre conceived hypothesis and then doing research to test if the pre decided variables or existing theoretical concepts are valid in a particular context.

Findings and Analysis

This section comprises four parts, one, the data analysis procedures for grounded theory, two, the core (also called central) phenomena that summarily describes paradigm shifts of 'what is happening out there' (per research question one); three, the theoretical model which explains in diagrammatic format, the antecedents, situational contexts, behaviour and consequences of experience process (research question two) and four, a description of the Hypothetical Propositions that form the key insights (research question three) emerging from

this paper, which could form the basis for further research.

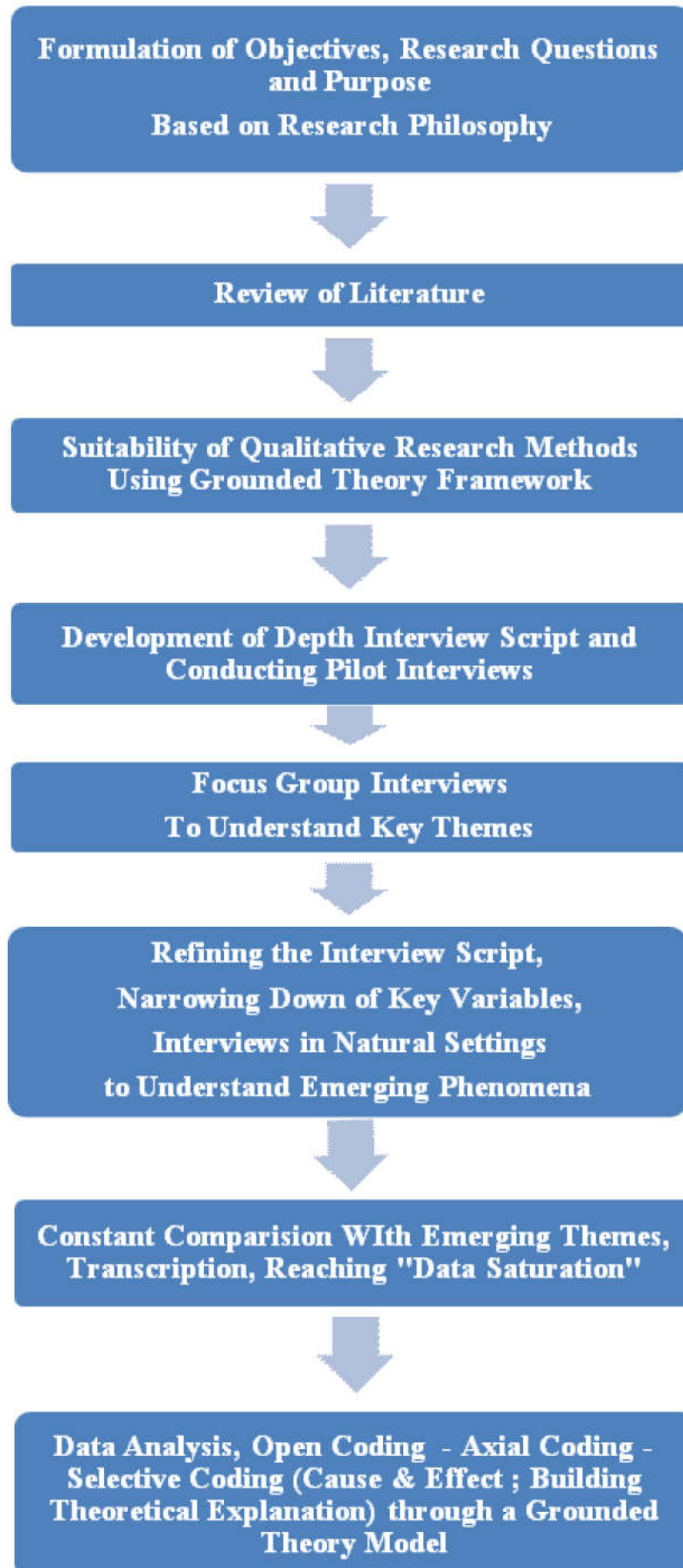
Data Reduction - Open, Axial and Selective Coding and Constant Comparison Technique

Participants were interviewed at length in surroundings and timings comfortable to them with prior appointment, at their homes or their own offices, or private work cabins where it was possible to talk freely without disturbances. After the audio interviews were transcribed into text, the analytical framework and stages of grounded theory data analysis involved:

- Open coding (process of disaggregation of data into units)
- Axial coding (recognizing relationships between categories) and
- Selective coding (integration of categories to form a theory)

In grounded theory approach, the audio interview data is converted to textual transcripts and from that narrative text, categories of relevant data are formed - first open codes, then axial and then selective codes - to explain the flow of an explanation of a process or theory which is grounded in primary source data compiled from participants' narratives. In combination with and to give shape to narrative analysis, this study drew upon the works of Strauss and Corbin (2008)²³ and Glaser and Strauss (1967)²⁴ in an inductive-deductive combined approach to analysis which validates purposive sampling to select critical cases 'to further the development of concepts and categories and to explore relationships between these two to develop a theory which is thoroughly grounded in the data, by constantly comparing the data being collected with concepts and categories (Saunders et al. *ibid*). On qualitative data collection methods in Qualitative Research and especially grounded theory, writings of Guest et. al and Emily²⁰, of Glaser, May, Strauss & Corbin, Creswell and seminal works were referred to ensure methodological and content

Table 4 :Research Process &Analytical Rigour



validity and address minimisation of subjectivity and interpretive bias through techniques of participant validation (Creswell)¹⁴, horizontalisation and bracketing (Moustakas)²⁵.

Core Phenomena: Textural Description of Paradigm Shifts

Consumers seek to maximise their fun and chase work goals so as to experience emotional peaks and indulge in creating cherished memories and seek to escape from stresses, realities and voids of their life. The findings identified the central phenomena of consumers experiencing experiences and conflicting, paradoxical feelings as an outcome of being hooked and overwhelmingly addicted to the mobile phone itself. In today's increasingly connected world, the consumer cherishes experiences relating to selfies, a culture of using various apps as a panacea to all address all needs, virtual relationships and online shopping.

The summarised core phenomena represents paradigm shifts representing a shift in consumer meanings; as a youngster aptly put it, 'everybody has a mobile today, it's like life itself...can't live without it'. As another elderly gentleman and few youngsters put it, "the best thing about a mobile phone is connectivity - and the worst thing about it, too, is connectivity - it steals away your privacy, you are accessible anytime, anywhere - even when you are enjoying a vacation"; and still another; 'it has turned out like a drug addiction, it is always on'. Consumers were found to be experiencing conflicting feelings and paradoxical experiences between the joys and the pains of having the mobile phone. On one hand, consumers were found to experience the sheer delight of experiencing all that the mobile stands for symbolically and functionally - connectedness, relationships, discovering long lost friends, social confidence, a magical world of apps that facilitates everything from shopping to fitness to banking, music, work productivity, a faithful loyal friend who captures moments and memories and keeps all secrets safe, and on the other, coping with the seemingly unavoidable frustration against an enslaving, 'predatory technology' which has already developed into extreme addiction so much so, that almost all participants shared a concerted effort to control and limit its usage in order to focus on more worthwhile goals in life and not let it control oneself.

The emerging phenomenon was thus found to be that of people constantly being hooked and obsessed

with being engrossed with mobile phone activities; which in turn, causes people to behave in certain ways according to their own individual nature, which in turn leads to positive or negative experiential consequences. The findings showed several examples of Doctors, senior corporate professionals, over 45 years of age, sleeping late due to late night entertainment activity or whatever it would be they choose to do with their mobile (refer Times of India another article). Many times such late night activities and addictive usage were found to be a cause of conflicts within family. Hence within the basic phenomenon of experiences relating to addiction, two categories of experience narration representing shared meanings emerged. One category was of meanings from positive experiences which consumers perceived as most cherished, remembered and valued, those experiences giving happiness or fulfilment and the other category of negative experiences which respondents felt as overwhelmingly frustrating, unproductive, stressful, painful, harmful and challenging to cope with.

As one female participant put it, "at night, I listen to music, YoYo Honey Singh, I am in another world...I am hooked onto it. It's always ON. As another put it, 'you want anything, bus tickets, movie tickets, financial transactions, a pizza, anything, it's at your fingertips'.

Some of the phenomenological paradigm shifts in internalised psyches of consumers as per their beliefs and feelings, symbolising core phenomena and consumer meanings in grounded theory, have been listed below:

- Mobiles are a multipurpose, omnipotent, all in one survival gadget for instant knowledge, networking, communications, managing relationships, doing business, staying connected, feeling safe and confident; it represents a panacea (through apps) for all problems, thus causing tremendous human dependence on the mobile itself and on connectivity (wi fi, internet speed); 'can't live without it'.
- The mobile phone (includes smartphones and feature phones both) has almost but replaced and dominates consumer mindspace over competing forms of media such as TV, outdoor activities, to the point of replacing people or near ones themselves and is the favourite activity to pass time and entertain oneself
- Mobile phone causes diversion from work goals / priorities, attention deficit, preventing from living in

the present and consumers experience constant self-conflict between control and indulgence.

- It is the most prized possession; like a diamond ring, very precious from data security and privacy reasons; to protect different secrets from different groups.
- Mobiles influence relationships and communication in a profound manner - it takes near people far and brings far people near. The dynamics of human interaction have changed with virtual, online relationships.
- Mobile phone is so addictive that it controls us (humans) - and not the other way around (there are exceptions to this, as the model explains). One needs to make focused effort to control addiction.

Grounded Theory Model: Structural Description of Phenomena

The grounded theory model on experiencing experiences: how people experience and cope with the phenomena of addictive mobile phone experiences ranging between delight and menace, along with its causal conditions, contextual and intervening factors and consequences is reproduced in the Model Diagram. In the more likely case that the description of experiences and the following model explanation evokes similar feelings and experiences with those of the reader, it would lend added validity to the methodology and findings.

The findings focus entirely on understanding the subjective lived experiences of mobile phone consumers at an affective, cognitive and behavioural level; the essence of meanings of salient experiences, their antecedents, situational contexts, behaviour and experiential consequences. The grounded Theory model storyline is that the occurrence of the core phenomena of addictive cherished and stressful mobile phone experiences are caused by the technological, socio-cultural factors in combination with one's unique human nature which is shaped by past lived experiences and key incidents in a person's life which become an inseparable part of the person's temperament. The phenomena involves individuals chasing creation of happy and nostalgic memories and moments, fun, achieve work goals and to experience emotional peaks, to feel de-stressed, recharged and to entertain themselves so as to cope with

and escape from stresses and voids of life, thus resulting in addiction and related consequences.

The model explains the consumer life cycle process as a series of experiential journeys in time, as consumers experience / consume their first mobile phone, with all the environmental, social and personal antecedents, behaviours and consequences; then draw experiential lessons from them in various situational contexts and key occurrences in their life as well as with consuming the product/brand individually and with reference groups, then due to some 'situational triggers', buy and use a second mobile phone, then again go through the same experience in chasing their sought experiences (goals, desired outcomes), consume it, and then go on and on - it was common for consumers to have used more than 3 to 5 or more mobile phones in the last 5 years. Whereas a more focussed and self-disciplined person is able to control and cope with his/her addiction in a manner that enables desired outcomes, those whose nature is more indulgent and are not able to control the urges of the addiction, they end up compromising their desired goals and causing lot of stress. The kind of experiences one has, depends upon the total personality nature of person, the kind of experiences that the person has had in his/her life and with mobile phone brands generic - and specific brands - in the past.

Whereas a more focussed and self-disciplined person is able to control and cope with his/her addiction in a manner that enables desired outcomes, those whose nature is more indulgent and are not able to control the urges of the addiction, they end up compromising their desired goals and causing lot of stress. The kind of experiences one has, depends upon the personality/nature of person, the kind of experiences that the person has had in his/her life and with mobile phone brands generic - and specific brands - in the past. Human nature, temperament, personality, parenting, upbringing, social co-creation and peer pressure influence one's self - and one's life goals - and how the person gives meaning to Core Phenomena of addictive experiences both cherished and stressful; this influences what experiences a person has learnt from his lived experiences - and represents sought experiences from his next mobile phone purchase - his brand, key choice criteria and budget.

Table 6 : Grounded Theory Table of Model's Selective Coding Categories

| Sr. | Selective Codes, Model Elements | Characteristics of Key Codes and Categories Representing Grounded Theory Protocol |
|-----|---------------------------------|---|
| 1 | Causal Conditions | Antecedent happenings and environmental triggers that influence the Central Phenomenon, events, happenings, incidents, experience descriptions |
| 2 | Central Phenomenon | The central idea, events, happenings about which a set of actions or interactions are directed at managing, handling or to which a set of actions is related. Description of the gist of common, shared meanings of participant experiences about "what is happening" out there, emerged clearly from data analysis. |
| 3 | Strategies (Behaviour) | These are Action/Interaction strategies devised to manage, handle, carry out, and respond to the Central Phenomenon under a set of perceived conditions, reflecting what people actually do. These are purposeful, goal oriented, coping behaviours; varying actions which have impact on some desired results/outcomes. |
| 4 | Context (Situational) | This category includes situational aspects of time and place, the location where the experience happened, at what time, at what stage they do it, or with whom, frequency and intensity with which it occurred or factors like life cycle stage. |
| 5 | Intervening conditions | This category includes those aspects which a participant must fulfil first, like they can't reach a certain stage of desired outcomes until they do or have these aspects first. These conditions shape, facilitate or constrain the strategies that take place within a specific context, maybe some pre-qualifications or some resources they need in order to achieve something. |
| 6 | Consequences | These are outcomes or results of actions from the Strategies. What happens when they have attempted to cope with a specific behaviour, or when something is finished, when they have changed something, achieved something. What is it that has finally happened? It may or may not be what people had intended or sought. |

Ref.: Strauss & Corbin, John Creswell, Morrow & Smith, Dr. Graham Gibbs

The explanation of the model illustrates examples of how 'Human Nature' along with its various dimensions and 'what a person is Seeking in Life' influence the experience process wrt to the Core Phenomena, his cherished experiences, decision making process at affect & cognition level as drivers of his or her past and future consumer behaviour - respectively - wrt mobile phones. Many of these experiences are found to be raising self-esteem, work confidence and social confidence as well, keeping in touch with long lost friends, the negative side found to reduce quality time with loved ones, with some institutions banning its use during work sessions. At a macro level, antecedents and triggers for such experiences are environmental forces of technology, culture, shared values and peer pressure from friends and family - alongwith a desire to be happening and 'in'. Professionals find it stressful to cope with social media overload, constant phone calls and mails ('one of the best things - and one of the worst things is that it can reach you anywhere, anytime') and tend to switch it off, or put it on silent mode or switch off the data.

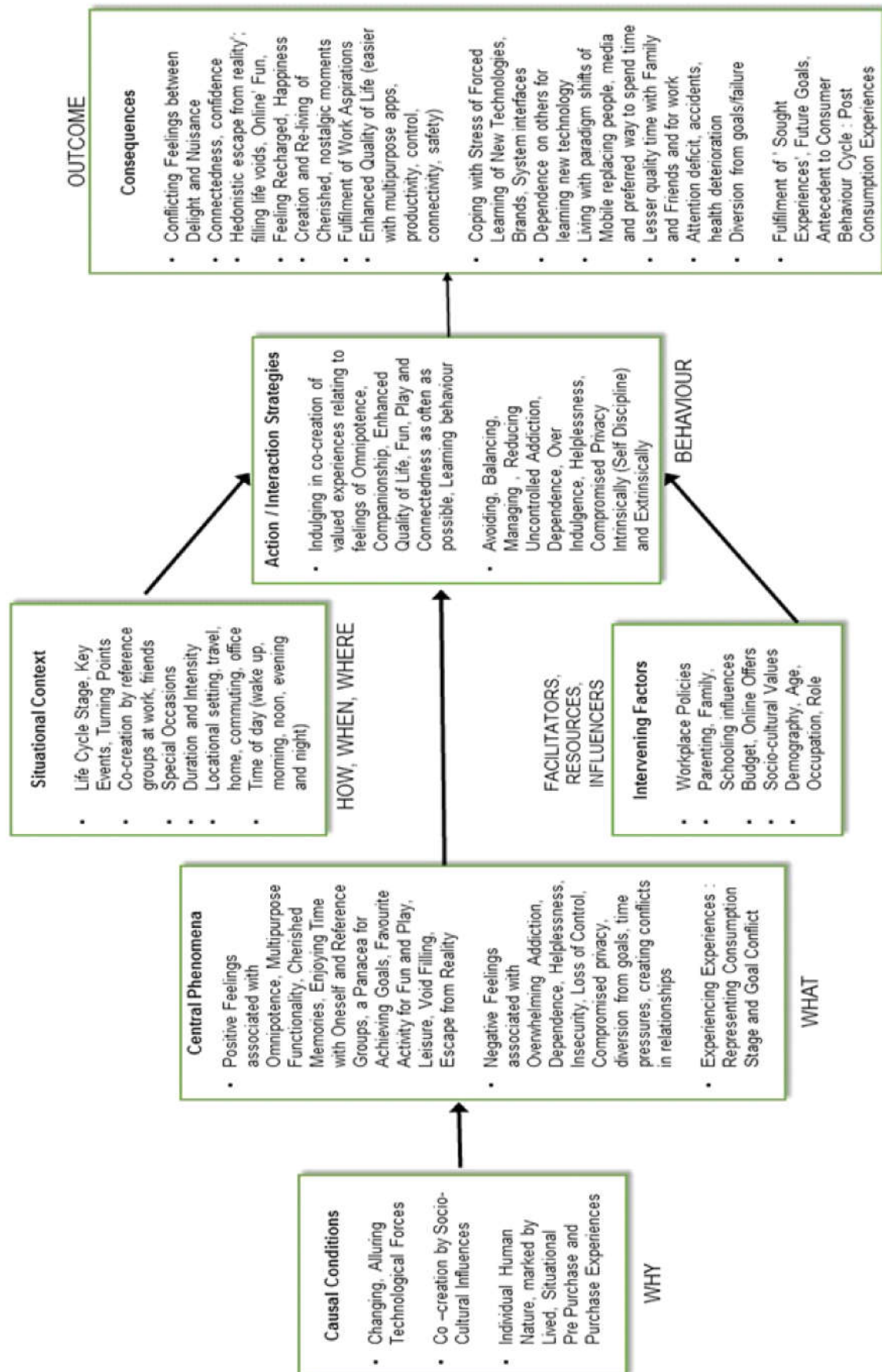
Extreme cases of work diversion due to android smart-phones' addiction are also there, where, in order to focus on exams or work goals, some consumers start

hating the experience and as a consequence, resort to behaviour like de-activating internet and data services, stopping to use smartphone itself, deleting apps like games, what's app, FB and even switching to a regular feature phone and restrict the usage by children. Such consumers shared their positive experience of feeling of peace and a greater sense of work focus which helps them achieve their goals. Most of the participants from college students to doctor to a middle aged busy MNC professional to a 70 year old couple, all were found indulging into their favourite leisure activity at late night with their mobile phone, in gaming, chatting, what's app or FB, watching videos or browsing topics of their own interest - the context being duration and intensity and time of the day i.e. night usage or while commuting for an hour or so; or whenever one is free, as often as possible.

Life Stories, Key Occurrences and Turning Points

Life Stories, Key Occurrences and Turning Points occurring in specific situational contexts in a person's life have a profound influence on one's human nature, and although each respondent had a story of his/her own to tell, some individual psychographic profiles

Figure 1: The Experiential Dynamics Of Cherishing And Coping With Addictive Mobile Phone Experiences: A Consumer Behaviour Model



Theoretical Model on 'Experiencing Experiences : An Omnipotent, Addictive Life Companionship Between Delight and Nuisance', Using Grounded Theory, with Mobile Phones as Product Category, Part of Doctoral Thesis, Manish Dholakia (June 2017)

comprising 'lived experiences' of certain respondents was included in this category of context; in recognition of such situational experiences causing human nature and resultant behaviour relevant to the research questions. It may be noted that the word 'situation' can extend to mean several years after an incident has occurred, as long as it continues to influence memories, feelings and an individual's behaviour.

To quote a life story, a middle aged, well qualified lady tragically lost her father around the time of her marriage, after which married life took on a different turn with her struggles as balancing PG study, working mother and home-maker roles; she completed her CA at the age of 45 years, sending her son abroad for studies. She learnt the value of her time and learnt self-discipline at work during her CA and CFA struggle. The point of the narration is the linkage between what happened with her, and how it has shaped her nature and her behaviour with respect to the core phenomena. Today she does not feel addicted to the mobile, is focussed at work, does not indulge in what she calls "time pass messages and distributing gyaan on what's app". She was gifted a mobile by her son, seeking a better paying job and seeks to learn new things from her mobile and seeks to learn dancing. Life experiences such as loss of a loved one and economic needs and desire to complete her ambition of doing CA, shaped her human nature to be more focussed in her usage of the mobile phone. Such critical incidences were unpredictable events that happened with and to quite a few of the respondents and hence, 'Situational Experiences' was a major cause triggering the experiential process of the core phenomena.

Theoretical Propositions and Insights

From the foregoing understanding of the consumer behaviour Model, the concluding insights and hypothetical propositions are stated thus:

- 1) Apart from Environmental Factors of Technological Changes, the intensity and nature of Core Phenomena Occurrence of Addictive Mobile Phone Experiences relating to conflicting emotions and experiential consequences between delight and menace is influenced by and caused due to co-creation of such salient experiences with Socio Cultural Reference Groups and specific dimensions of Individual Human Nature which in turn, are shaped by learnings from past Lived Experiences.

Certain dimensions of human nature which are characterised by Self Discipline i.e. goal oriented vs. non focused type of human nature, whether ambitious or hardworking/ fun oriented personality as Type A or Type B Type and Introversion/ Extraversion ("Big 5" Personality Theory reference, relating to Theory, a validation point) in combination with essence of past (lived) experiences have a significant role to play in determining consumer behaviour like purchase / upgrading to a new mobile phone and whether it is the mobile that controls a person, or whether the person is able to control the mobile, his behaviour towards achieving desired outcomes, goal oriented and/or fun oriented - and how far he or she would be able to achieve them.

Dimensions of Human nature are also shaped by significant occurrences in a person's life, by past lived experiences comprising salient situational and contextual antecedents, phenomenological essence of memories and learnings from individual or co-created experiences. The phenomenological essence of lived experiences experienced over a passage of time, becomes part of a person's nature and significantly influences a consumer's product/brand choice criteria, decisions and behaviour. This accounts for individual differences within similar environmental antecedents mentioned by participants like newer technologies, co-creation of buyer behaviour & purchase experiences due to socio-cultural factors and market offerings.

2. The second Proposition states that the process and 'motivational state of being' of "Experiencing Experiences" is influenced by Situational Contexts and Intervening Conditions specific to key occurrences and events in consumers' lives and environments, which in turn impacts their behaviour strategies and consequences. These contexts of time and place represent experiential dynamics of the consumer's consumption journey including intervening factors like parenting, budget and online shopping experiences as explained in the model, evidenced by participant quotes.

The state of "Experiencing Experiences" is explained as extending into the past, present and future and thus, represents three sequential series of experience in marketing life cycle stages which a consumer undergoes. Lived Experiences denote learnings

from past experiences from his/her life and product /brand interactions, 'Experiencing Experiences' denotes the present consumption and life experiences as they are happening with and to the consumer in the here and now, and 'Sought Experiences' denotes a state of fantasies, dreams, career goals or desired outcomes ('I want peace I life') and those motivational factors which drive behaviour.

In Vivo Quotes (verbatim):

"I use it to entertain, educate and manage my children",

"At night I sleep only when my body tells me, now enough is enough"

"At office I use it like a Cheetah in between breaks.

"I fall asleep listening to Osho Lectures. At times with earphones on, mobile on, I wake up in the morning and realise it was on for the whole night"

"At night I listen to YoYo Honey Singh ; it's like I am in another world

Consumers seek to structure their time and behaviour in pursuit of "Sought Experiences" that is, indulging in proactive creation and re-living of valued, cherishable, memorable experiences and nostalgic moments resulting in happiness, delight, fun, entertainment and fulfilment, in addition to seeking experiential consequences that enable them to escape from realities, stresses or voids of life, to address boredom, entertain oneself - resulting in coping better with challenging life situations". This is in addition of course, to rationally oriented consumers seeking functional utility value from their products/brands. The gist of "sought experiences", thus is for consumers to be able to create and invest as much of their time as they wish, to experience emotional peaks (Maslow)³ aroused by whatever specific leisure activities they value (various apps, music, online content, videos, images, games, chatting) and get refreshed, recharged, de-stressed, ready to go back to work or face the next challenge; i.e. the core phenomena. Thus, in chasing their emotional highs and sought dreams, consumers become addicted to their mobile phones. Such behaviour is over and above their sought experiences related to chasing their purpose, career goals or life dreams.

Discussion: Implications For Consumer Behaviour Research, Marketing Practice And society

As a contribution to Consumer Behaviour Theory

The emerging theoretical propositions as explained in this research paper Model, include certain dimensions which were excluded in the consumer behaviour model given in the Seminal works of Morris B. Holbrook and Elizabeth C. Hirshman (1982)⁹. These dimensions were (a) the social influences through peer and reference groups (b) some elements of marketing mix like online channel of sales which accounts for half of all sales in India (c) joint decision making in households and other goal conflict related phenomena, consequential dynamics and antecedents of which this research recognizes and explicates on the basis of participant narratives.

Learnings for Marketing and Brand Management Practitioners

In the mobile and telecom industry marketing space, it is suggested to offer customised technical learning support for mobile phones to people of all ages and work to educate people about the physical and psychological dangers of mobile addiction, social media and gaming - and how to focus and cope with the phenomenon so as to lead a more healthy and productive life so as to maximise the quality of customer experiences with arguably one of the most important inventions of the 21st Century - the mobile phone. From the experiential perspective of the consumer, there exists a huge gap between 'sought experiences' and experiencing experiences'; and brands need to engage in more of experiential research (qualitative methods) to understand their experiential world in order to create and manage customised, sustainably valued experiences for various psychographic segments.

Implications For Society, Public and Consumers

The research findings are alarming for Society in general - it is suggested to individuals to be alert and proactive against dangers of mobile addiction, social media, apps and games. It is possible to successfully cope with it by being comfortable with their own selves without a mobile, learning to go to sleep naturally without a late night mobile addiction ritual, relying more of natural memory power more often, going outdoors to relax, and learn to balance their own temperament with respect to mobile addictions so as to reduce dependence on virtual relationships and online experiences and be able to be

human - to learn to enjoy whatever they seek through experiencing emotional highs through real life experiences.

Limitations, Strengths, Further Research

This research was subject to the inherent limitations of interpretive nature of qualitative, exploratory research, was challenging to research and analyse textually. The positive part was that while this research upholds qualitative research protocols, at the same time it acknowledges the limitations that it is subject to, and as such, all methodological precautions and protocols have been adhered to minimise interpretive bias which was addressed by using 'bracketing' i.e. a qualitative research process where the researcher is aware of and sets separately aside his or her own notions about the topic. The sample was restricted to the consumers of Gujarat, India, and though the findings and the model is valid, being primary research relating its findings to existing theory, the findings are not statistically generalisable to the population as in quantitative studies though in this research paper, they were not meant to be - the findings are applicable to theory and not claimed to represent the entire population though experts suggest that they would certainly do so. Amongst the positives of this research is that it was a rigorous, non-sponsored, pure research conducted over a four year period by the researcher, conducted with Qualitative inquiry in natural settings of consumers after taking them into confidence and trust, for open ended and free sharing ; especially grounded theory has this advantage of being intrinsically validated since the proposed theory on experiencing experiences herein, has developed from consumers' responses themselves and is not based on past theories or researches which may or may not fit today's (2017) dynamic marketing environment for a particular industry, product category, culture or geography.

It is hoped that this paper motivates further qualitative research in consumer behaviour with respect to the topic, the methodology, analytical approach, the model and/or the findings which may be useful as a starting point to formulate valid hypothesis or variables; all of which are methodologically validated.

Suggested Research : Topics Linking Human Nature, Consumers' Experiential World and Personal Life Stories

The findings and research model proposed have established evidence of linkages between human nature

and situational experiences and specific life stories and key events in a person's life, which shape their behaviour. The findings strongly suggest more experiential research related to understanding the life stories of consumers, with the purpose of creating product/brand offerings or communications to suit market segments delineated on basis of similar contextual experiential characteristics. Both Researchers and Companies would certainly gain from exploratory, qualitative research especially focus groups and depth interviews, taking the findings of this research as Hypothesis or research questions and variables, probing psycho-social needs of companionship, how life story turning points influence a person, elements of dreams, fantasies or research studies focussing on pre-sleep, night time addictive rituals of the mobile and its consequences. Research themes on parenting, schooling, or co-creation by specific groups close to the individual, may throw up good insights.

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Perception Towards Barriers Affecting Entrepreneurship Intentions Among The Students

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Abstract

Entrepreneurship plays an important role in the development of the country economic condition. Developing country like India, the role of Entrepreneurship is crucial to create self-employment and reducing unemployment. There are certain barriers in the developing countries which affect the growth of entrepreneurship. The present study tries to investigate barriers affecting entrepreneurial intentions among the students. To investigate barriers, total 64 respondents were surveyed. The structured questionnaire was used to serve the objectives of the study which contain demographic profile questions and research question for barriers affecting entrepreneurial intentions statements. Out of the 64 respondents 79.7 percent respondents were male while 20.3 percent were female. Majority (93.8) respondents have age between 21-25 years and 25 percent respondents have their own family business where as 85.9 percent respondents wants to start own business while 14.1 percent do not want to start their business. The Exploratory Factor Analysis approach was applied to extract barriers affecting entrepreneurial intentions. The exploratory factor analysis yielded three factors namely Economic and Technological issues, Government Support factors and Social and Personal issues.

KEY WORDS: Barriers affecting Entrepreneurship Intentions, Entrepreneurship Intentions, Factor Analysis, Start-Up

Introduction:

The Entrepreneurship can be define as " capacity and willingness to develop, organize and manage a business venture along with any of its risks in order to make a profit".Entrepreneurs and entrepreneurship are arguably the pillars on which economic health of societies were built. Their role has been highlighted in opportunity creation through new ventures and maintenance of existing ones (Bidarkundi and Ramachandra, 2015). Entrepreneurship contributes immensely to the economic growth and thereby plays a vital role in the development process. (Karim and Reddy, 2014). Entrepreneurship as the present era understands was definitely not forthcoming from this social segment. Political & economic factors had an extensive effect on the entrepreneurial spirit. There were many issues that impact negatively on Indian entrepreneurship like Lack of political unity and stability, absence of effective communication systems, existence of custom barriers and oppressive tax policies. (Swetha and RAO, 2013). As per India's Census 2011, Youth (15-24 years) in India constitutes one-fifth (19.1%) of India's total population. According to Ministry of Statistics and Programme Implementation report on youth in india, 2017 India is expected to have 34.33% share of youth in total population by 2020. The global youth unemployment rate is 13.0 per cent for the period 2012 to 2014. According to government of India Women & Men

in India-2016 report, In 2015-16 (5th Annual Employment- Unemployment Survey conducted by Labour Bureau), the unemployment rate for persons aged 15 + years was 3.7 at all India level. The Entrepreneurship will help out to eradicate the unemployment. The present paper will discuss on the perception of students towards barriers to Entrepreneurship intention.

Review of Literature

Iskandarini (2014) has studied on "The impact of entrepreneurial barrier toward entrepreneurial intention for decreasing unemployment through community empowerment" and found the factors that influence the entrepreneurial barriers among the workforce are the lack of capital, the lack of expertise, the adversity, the lack of self-confidence and willingness cost. The factors affecting the entrepreneurial intention in the workforce are perceived desirability and Perceived feasibility. Dominant indicator that determines the value of entrepreneurial intentions is feasibility perception. The Influence from entrepreneurial barriers to entrepreneurial intentions for the people in the workforce is positive, it means that the higher the entrepreneurial barrier value, the higher the entrepreneurial intentions for entrepreneurship in the community.

Muhammad Asif Tanveer et.al studied on "Barriers for Business Students in Becoming an

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Entrepreneur in Pakistan" and found Weak economic environment was regarded as most significant restraining for becoming own boss. The uncertainty about future is the next biggest hurdle. These factors include lack of skill, lack of assistance, lack of capital, lack of family and friends support, and fear of uncertainty.

Boateng et.al, (2014) studied on "barriers to youthful entrepreneurship in rural areas of Ghana" and found that Corruption by local authorities was mentioned by 79.41% of the respondents. The respondents mentioned lack of capital as the main impediment to youth entrepreneurship in rural areas of Ghana. The unstable and unpredictable economic environment in Ghana was mentioned by close to 50% of the respondents as another factor discouraging youths to start and grow their own businesses. Close to 57% of the respondents indicated that the government does not really support entrepreneurship as a career opportunity for youths. High transport costs, unattractive business environment, lack of relevant experience, lack of and inaccessibility to skilled labour, high registration costs, high costs to obtain licences to operate formally, poor roads, unreliable electricity, unreliable communication services and lack of networking opportunities were also stated as the impediments to youth entrepreneurship.

Sandhu et.al, (2011) Studied on "Entrepreneurship barriers and entrepreneurial inclination among Malaysian postgraduate students" where Various psychological, institutional and demographic barriers affecting entrepreneurial inclination were studied and found that With regard to institutional factors, this study also found that lack of resources and social networks were a hurdle to entrepreneurship. Aversion to risk was found to be a barrier for postgraduate students in Malaysia Fear of failure was also another important barrier Postgraduate students in Malaysia were also found to be averse to stress and hard work and these factors negatively effects entrepreneurial inclination. The demographic variables like Marital status and gender were found to be important factors influencing entrepreneurial inclination. The result indicate that male postgraduate students are more inclined towards entrepreneurship compared to female students. Married students will also be more likely to engage in entrepreneurial activities after graduation. However, other demographic variables such as age, income, higher education, business-related degrees and work status were found not to influence entrepreneurial inclination.

Jakubczak, (2015) studied on "youth entrepreneurship barriers and role of education in their overcoming pilot study" Respondents were asked to point up to three factors group that they find a most important barriers for youth entrepreneurship. Results shown that 68.2% of respondents chosen problems with administration, 56.1% lack of access to financing, 43.9% lack of business support, 40.9% bad entrepreneurial education, 33.3% social and cultural conditions, and 9.1% other. Among others respondents were pointing at taxation and high social insurance costs for entrepreneurs, media effecting youth perception of entrepreneurship as too difficult task, expensive marketing, or fear of other risks related to being entrepreneur.

Methodology

The present study aims to study perception towards barriers affecting entrepreneurial intentions among the students. To fulfil the stated objective for present study, structured questionnaire was used. The questionnaire was contained questions related to demographic profile of respondent such as gender, age, education etc. and the research questions related to perception towards barriers affecting entrepreneurial intentions among the students. The survey was conducted on online as well as offline platforms at Agricultural University in Navsari (Gujarat). To find out perception towards barriers affecting entrepreneurial intentions among students rating scale was used, respondents were asked to rate the various barriers on five point scale. Where 1 is always and 5 is never. The factor analysis approach was applied to the statements to find out factors affecting entrepreneurial intentions among the students

Result and Discussion

The collected data were tabulated and analysed with help of computer software. The statistical tools employed for present study are frequencies, percentage and Exploratory Factor Analysis. Exploratory factor analysis using principal component analysis approach was used to determine the most important variables from the large number of variables in the set of data to find out factors affecting entrepreneurial intentions among the students.

Table: 1 Demographic Profile of Respondents

| Parameters | Frequency | Percent |
|---|-----------|---------|
| Age of the Respondents | | |
| Below 20 Years | 3 | 4.7 |
| 21-25 | 60 | 93.8 |
| 26-30 | 1 | 1.6 |
| Total | 64 | 100.0 |
| Gender of Respondents | | |
| Male | 51 | 79.7 |
| Female | 13 | 20.3 |
| Total | 64 | 100.0 |
| Specialization of Under graduation | | |
| Agriculture | 47 | 73.4 |
| Non Agriculture | 17 | 26.6 |
| Total | 64 | 100.0 |
| Own family business | | |
| Yes | 16 | 25.0 |
| NO | 48 | 75.0 |
| Total | 64 | 100.0 |
| Willingness to Start own business | | |
| Yes | 55 | 85.9 |
| No | 9 | 14.1 |
| Total | 64 | 100.0 |

The table no 1 shows demographic profile of respondents. Out of the surveyed respondents 79.7 percent respondents were male while 20.3 percent were female. Majority (93.8) respondents have age between 21-25 years, 4.7 percent respondents having age below 20 years, while 1.6 percent respondents having age between 26-30 years. Out of the surveyed respondents 25 percent respondents have their own family business where as majority of respondents do not have any business. 85.9 percent respondents wants to start own business while 14.1 percent do not want to start their business.

Reliability test Alpha

The respondents were asked to rate the perception towards barriers affecting entrepreneurial intention on 5 point rating scale for 12 items. To check reliability of items, cronbach's Alpha was calculated and it was found 0.765 for 12 items. The reliability test Alpha was developed by Lee Cronbach in 1951 to provide a measure of the internal consistency of a test or scale; it is expressed as a number between 0 and 1. (Tavakol et al. 2011). As a rule of thumb the value greater than 0.7 is good and acceptable. For the present study cronbach's alpha based on standardized items obtained 0.765. So the data are reliable for further analysis.

Table: 2 Reliability test (Cronbach alpha)

| Reliability Statistics | |
|-------------------------------|------------|
| Cronbach's Alpha | N of Items |
| .765 | 12 |

The Bartlett's test of Sphericity and Kaiser Meyer -Olkin (KMO statistics) measure of sample adequacy were used to assess the suitability of data for carrying out the factor analysis. Generally the value of Kaiser-Meyer-Olkin Measure of Sampling Adequacy test

is accepted greater than 0.6. For the present data it is obtained 0.614 and Bartlett's Test of Sphericity found significant. So, the factor analysis can be performed for the present data.

Table 3: KMO and Bartlett's Test

| KMO and Bartlett's Test | | |
|--|--------------------|---------|
| Kaiser-Meyer-Olkin Measure of Sampling Adequacy. | | .614 |
| Bartlett's Test of Sphericity | Approx. Chi-Square | 206.367 |
| | Df | 66 |
| | Sig. | .000 |

Factor Analysis

Respondents were asked to answer 12 prepared items using 5-point rating scales where 1= Always, 2= Often, 3= Sometimes, 4= Rarely, 5= Never. The principle component extraction performed where the eigenvalue greater than 1.25 was considered. Varimax

with Kaiser Normalization rotation method was employed. The Rotated Component Matrix was presented sorted by size and the coefficients were suppressed having value below 0.4. The factor analysis yielded 3 factors which explain 52.599 % of total variance as shown in below table.

Table 4: Total Variance Explained

| 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 | 3.522 | 29.350 | 29.350 | 3.522 | 29.350 | 29.350 | 2.412 | 20.100 | 20.100 |
| 2 | 1.469 | 12.243 | 41.594 | 1.469 | 12.243 | 41.594 | 1.972 | 16.433 | 36.533 |
| 3 | 1.321 | 11.006 | 52.599 | 1.321 | 11.006 | 52.599 | 1.928 | 16.067 | 52.599 |
| 4 | 1.194 | 9.952 | 62.551 | | | | | | |
| 5 | 1.075 | 8.957 | 71.509 | | | | | | |
| 6 | .844 | 7.032 | 78.540 | | | | | | |
| 7 | .688 | 5.731 | 84.272 | | | | | | |
| 8 | .537 | 4.472 | 88.744 | | | | | | |
| 9 | .495 | 4.125 | 92.869 | | | | | | |
| 10 | .377 | 3.141 | 96.010 | | | | | | |
| 11 | .268 | 2.236 | 98.246 | | | | | | |
| 12 | .210 | 1.754 | 100.000 | | | | | | |
| Extraction Method: Principal Component Analysis. | | | | | | | | | |

Table 5 : Rotated Component Matrix

| Rotated Component Matrix ^a | | | | Factors |
|---------------------------------------|-----------|------|-------|----------------------------------|
| Parameters | Component | | | |
| | 1 | 2 | 3 | |
| Lack of Trusted Partners | .849 | | | Economic and Technological issue |
| Start Up Capital | .678 | | | |
| Lack of Good Ideas | .565 | | .446 | |
| Lack of Adequate Technology | .520 | .406 | | |
| Fear of Wasting of Money | .426 | | | |
| Government Policies | | .777 | | Government Support Factors |
| Competition | | .605 | | |
| Government Support | | .544 | -.486 | |
| Political Policies | | .536 | | |
| Social Issues | | | .680 | Social and Personal Issue |
| Lack of Books And Knowledge | | | .659 | |
| Lack of Business Exposure | .501 | | .623 | |

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 6 iterations.

The exploratory factor analysis yielded three factors namely Economic and Technological issues, Government Support factors and Social and Personal issues.

The first factor termed as Economic and Technological issue due to high loading to the items like "Lack of Trusted Partners", "Start Up Capital", "Lack of Good Ideas", "Lack of Adequate Technology", and "Fear of Wasting of Money" which is ranging from 0.849 to 0.426. The factor explained 20.100 percent of total variance. The second factors named as Government support due to the high loading to the items like "Government Policies", "Competition", "Government Support" and "Political Policies". The loadings of the items are ranging from 0.777 to 0.536. This factor explain 16.433 percent of total variance. The third factor named as " Social and Personal Issue" due to the high loading to the items like "Social Issues", "Lack of Books And Knowledge", and "Lack of Business Exposure". The loadings of the items are ranging from 0.680 to 0.623. This factor explain 16.067 percent of total variance. These three factors explain 52.599 % of total variance.

Conclusion and Implications

The present paper focuses on entrepreneurial intentions among the students. To investigate factors, total

64 respondents were surveyed. Out of the 64 respondents 79.7 percent respondents were male while 20.3 percent were female. 93.8 percent respondents have age between 21-25 years and 25 percent respondents have their own family business where as 85.9 percent respondents wants to start own business while 14.1 percent do not want to start their business. The Exploratory Factor Analysis approach was applied to study perception towards barriers affecting entrepreneurship intentions among the students and found that three factors namely Economic and Technological issues, Government Support factors and Social and Personal issues

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Level of Acceptance and Satisfaction of Consumers Using ATM Banking in Anand

Komal Mistry¹

Abstract

Indian banking has passed through various phases from cash economy to cheque economy and now to "E" economy. With the advent of implementation of E-Banking at global level, India also transformed its entire banking system keeping in mind the competitive environment. This study aims at analyzing the customer acceptance and satisfaction towards use of ATM services of private and public sector banks with respect to some aspects such as use of services offered through ATMs, regularity in working of ATMs, problems faced by customers and their opinion on acceptance and satisfaction level after using ATM Banking.

INTRODUCTION

Indian banking has passed through various phases from cash economy to cheque economy and now to "E" economy. With the advent of implementation of E-Banking at global level, India also transformed its entire banking system keeping in mind the competitive environment. In order to survive in a competitive environment from foreign banks, banks in India have been left with no other option but to adopt the technological changes. Private Banks were early adopter of the Core Banking System (CBS) technology. Core banking system prepares the bank to implement e-delivery channels like ATMs, Internet Banking, Mobile Banking, Tele-banking etc. Out of all delivery channels, ATMs or Automated Teller Machines is one of the oldest and popularly used banking channel.

Technology which comprises Core Banking Systems (CBS) have been put in place by private banks at the time of inception, while PSU banks in comparison were laggards but have now implemented CBS completely. However, cooperative banks are still in the process of implementing CBS. CBS prepares the bank to implement e-delivery channels like ATMs, Internet Banking, Mobile Banking, Tele-banking etc. These channels offer customers convenience, anywhere, anytime banking. One of the most popular channels of banking service delivery is through the ATMs. ATMs primary use was to dispense cash upon insertion of a plastic card and its unique Personal Identification Number (PIN). But with the technological advancement ATM can mechanically accept deposits, issue withdrawals; transfer funds between accounts, collect cheque, recharge mobiles and offer a vast variety of facilities to customers.

This study aims at analyzing the customer acceptance and satisfaction towards use of ATM services of private and public sector banks with respect to some aspects such as use of services offered through ATMs, regularity in working of ATMs, problems faced by customers and their opinion on acceptance and satisfaction level after using ATM Banking.

Literature Review:

A studies specially related to ATM services are reviewed in this section.

Sundaram and J. Premalatha (2012) in their study checked the overall satisfaction level of the customers of the various banks in Vellore district, and concluded that customers felt that bankers must improve the safety, provide accurate and timely information and make the use of ATM services easy in order to retain the customers. They also concluded in their study that the majority of the customers are highly satisfied in using the ATM services of their banks.

Singh and Saxena (2011) studied customer satisfaction regarding the use of ATMs and revealed that the ICICI Bank, being the largest private sector bank, must make its customers satisfied to sustain in this world of competition. They considered that the management of ICICI Bank should seriously consider the recommendations made by their customers regarding ATMs and take all necessary steps to follow the same.

Khan (2010) concluded that the key dimensions of automated banking service quality include reliability, ease of use, privacy, convenience and responsiveness. He concludes that ATM facility resulted in speed of transactions and saved time for customers.

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Singh and Komal (2009) conducted a comparative study among Public sector bank, Private sector bank and foreign banks and concluded that the satisfaction level of the customer was highest in SBI Bank followed by ICICI Bank and HDFC Bank.

Kamala (2008) has made a detailed survey regarding the customer satisfaction towards ATM services in Tirunelveli city of Taminadu. Researcher observed that the respondents were sensible about more innovative techniques in ATM services.

Uppal R.K. (2008) concluded that among all e-channels, ATM is the most economic and effective while mobile banking does not hold a strong position in public. The study also suggested some strategies to improve ATMs and m-banking services.

Kaul (2007) in his article explained the importance and benefits of ATM, the players in the Indian market and presented various information concerning the growth of ATM.

Mcandrew (2003) talked about the various utilities of ATMs, which has given worldwide popularity. The utilities include withdrawal of cash as per convenience of the customers than during the banking hours at branches. Besides providing off time and off shore services, there is reduction of cost of servicing.

Shastri (2001) analyzed the effects and challenges of new technology on banks. He found that technology has brought a sea change in the functioning of banks and use of ATMs has increased with the passage of time.

Nkisang (1995) observes that ATMs have reduced variability of banking services in that they have made the services standard and customers now spend little time to carry out their transactions. he also says that the biggest benefit that ATMs have provided is that cash can be withdrawn 24 hours a day.

Research Methodology:

The present study is of analytical and exploratory nature. Accordingly, the use has been made of primary as well as secondary data. The secondary data have been collected mainly from RBI monthly bulletins, reputed journals and other literature available in the field. Primary data were collected with the help of structured questionnaires from customers using ATM services. Total 220 respondents who actually use ATM banking were surveyed by following non-probabilistic convenience

sampling technique. To analyze the data, various statistical techniques such as average, std. deviation and normal distribution have been used as per the requirement of the data. F test has also been used to analyze the variances.

Objectives of the Study:

1. To study the usage of ATM Banking across demographic variables.
2. To identify Acceptance and Satisfaction level of ATM Banking users.

Limitations of the Study:

The study is covering only Anand city which is not generalizing the overall picture. Only 220 respondents are considered in the study which is not presenting the real scenario of the banking delivery channels. Out of all E-Banking delivery channels only ATM is considered for the study.

Hypotheses:

- There is no association between demographic variables of respondents and frequency of ATM usage.
- There is no association between demographic variables and satisfaction level of respondents for given E-Banking services.

Data Analysis and Interpretation:

Table 1: Sample Profile

| Demographic Variables | Categories | No. of Respondents |
|-----------------------|-----------------------|--------------------|
| Type of Bank | Public Sector Bank | 103 (46.81%) |
| | Private Sector Bank | 117 (53.19%) |
| Gender | Male | 130 (59.09%) |
| | Female | 90 (40.91%) |
| Age | 15-25 years | 49 (22.27%) |
| | 26-40 years | 94 (42.73%) |
| | 41-60 years | 37 (16.82%) |
| | More than 60 years | 40 (18.18%) |
| Income | Up to 3,00,000 | 68 (30.90%) |
| | 3,00,001 to 6,00,000 | 87 (39.54%) |
| | 6,00,001 to 10,00,000 | 51 (23.19%) |
| | Above 10,00,000 | 14 (6.37%) |
| Occupation | Government Service | 38 (17.27%) |
| | Private Service | 82 (37.28%) |
| | Professionals | 35 (15.91%) |
| | Business | 58 (26.36%) |
| | Student | 7 (3.18%) |

The above Table 1 shows the demographic / Sample profile of the respondents based on Gender, Age, Income, Occupation and type of Bank. .

Frequency of usage of ATM banking:

Frequency of usage of ATM banking and its association with all demographic variables is displayed in Table 2 & 3 respectively.

Table 2: Usage of ATM Banking

| Usage | No. of Respondents | Percentage (%) |
|--------------|--------------------|----------------|
| Daily | 23 | 10.45% |
| Weekly | 114 | 51.82% |
| Fortnightly | 57 | 25.91% |
| Occasionally | 26 | 11.82% |

Table 2 displays the usage of ATM banking by the respondents. It is found that half of the respondents are using ATM banking on weekly basis, 25% respondents are using ATM banking fortnightly. Only 10.45% respondents are using it on daily basis.

Chi square analysis of usage of ATM banking among respondents

Frequency of using ATM service is different for different categories of people based on their age, gender, income & Occupation. To understand the association between demographic variables of respondents and frequency of ATM usage, Chi square test was carried out to test the hypothesis as under:

Table 3: Chi square analyses for frequency of ATM banking usage among respondents by Demographic Variables

| Sr. No. | Demographic Variable | Chi Square Value | d.f. | p-value | Significance | Hypothesis |
|---------|----------------------|------------------|------|---------|--------------|------------------------------|
| 1 | Type of Bank | 0.714 | 2 | 0.700 | No | Null hypothesis not rejected |
| 2 | Age | 3.515 | 6 | 0.742 | No | Null hypothesis not rejected |
| 3 | Gender | 2.457 | 2 | 0.293 | No | Null hypothesis not rejected |
| 4 | Income | 8.383 | 8 | 0.397 | No | Null hypothesis not rejected |
| 5 | Occupation | 0.497 | 6 | 0.998 | No | Null hypothesis not rejected |

Table 5: Perception of Respondents about Various Services of ATM

| Sr. No. | Services of ATM Banking | 1 | 2 | 3 | 4 | 5 | Mean | S.D. |
|---------|---------------------------------|------|------|------|------|-------|------|-------|
| 1 | Cash Withdrawal | 80 | 76 | 37 | 14 | 13 | 2.08 | 1.117 |
| | | 36.4 | 34.5 | 16.8 | 8.0 | 5.9 | | |
| 2 | Payment of Utility bills | 28 | 70 | 65 | 15 | 42 | 2.86 | 1.275 |
| | | 12.7 | 31.0 | 29.5 | 6.8 | 19.11 | | |
| 3 | Transfer funds between accounts | 25 | 71 | 59 | 31 | 34 | 2.88 | 1.227 |
| | | 11.4 | 32.3 | 26.8 | 14.1 | 15.4 | | |
| 4 | Mobile Phone Recharge | 27 | 44 | 59 | 36 | 54 | 3.19 | 1.337 |
| | | 12.3 | 20 | 26.8 | 16.4 | 24.5 | | |
| 5 | Stock Market Transactions | 9 | 30 | 61 | 37 | 83 | 3.57 | 1.298 |
| | | 3.6 | 25.5 | 15.0 | 20.5 | 35.4 | | |
| 6 | Donation / Charity | 9 | 30 | 61 | 37 | 83 | 3.69 | 1.219 |
| | | 4.1 | 13.6 | 27.7 | 16.8 | 37.8 | | |
| 7 | Shopping | 30 | 59 | 57 | 30 | 44 | 2.89 | 1.321 |
| | | 13.6 | 26.8 | 25.9 | 13.6 | 21.1 | | |

H₀: There is no association between demographic variables of respondents and frequency of ATM usage.

H₁: There is association between demographic variables of respondents and frequency of ATM usage.

Table 3 shows that all the demographic variables are having p-value more than 0.05, so, the null hypothesis is not rejected. It clearly shows that there is no association between any demographic variable and frequency of ATM usage.

Table 4: Reason for using ATM Banking

| Reasons | No. of Respondents | Percentage (%) |
|----------------------------------|--------------------|----------------|
| Any time access | 113 | 51.36% |
| Ease of use | 99 | 45.00% |
| Convenience | 117 | 53.18% |
| Secured transaction | 89 | 40.45% |
| Influence of Friends / Relatives | 56 | 25.45% |
| Status symbol | 51 | 23.18% |

Table 4 displays the reasons for using ATM banking. It is found that more than 50% of the respondents are using ATM banking because it provides any time access and Convenience. Followed by 45% of the respondents are using ATM banking because it provides ease of use. 23.18% respondents are using internet banking because they consider it as a status symbol.

(Note: 1 Very often, 2 Often, 3 Sometimes, 4 Rarely, 5 Never)

Further in table 5 frequency distribution and the overall mean and S.D. values of various services offered through ATM have been calculated. The table reflected that withdrawal of cash is frequently used services from ATM card followed by Payment of utility bills and Transfer funds between accounts. The respondents rarely used ATM banking for services such as Donations/Charity and stock market/mutual fund transactions.

Table 6 displays the satisfaction level of the respondents. It is found that majority of the respondents (more than 60 %) are satisfied with the ATM banking services across all variables. And 13% of the respondents are neutral on satisfaction from ATM banking used by them.

Chi square analysis of satisfaction level of E-Banking Services across Demographic Variables

To check association between demographic variables of respondents and satisfaction level of ATM Banking, Chi square test was carried out to test the hypothesis:

Table 6: Level of Satisfaction from ATM Banking

| E-Banking Services | Highly Satisfied | | Satisfied | | Neutral | | Dissatisfied | | Highly Dissatisfied | |
|--------------------|------------------|-------|-----------|-------|---------|-------|--------------|-------|---------------------|------|
| | N | % | N | % | N | % | N | % | N | % |
| ATM | 72 | 32.73 | 79 | 35.91 | 30 | 13.64 | 34 | 15.45 | 5 | 2.27 |

Table 7: Chi square analyses for ATM Banking across satisfaction level of Demographic Variables

| Sr. No. | Demographic Variable | Chi Square Value | d.f. | p-value | Significance | Hypothesis |
|---------|----------------------|------------------|------|---------|--------------|------------------------------|
| 1 | Type of Bank | 0.457 | 4 | 0.978 | No | Null hypothesis not rejected |
| 2 | Age | 9.089 | 12 | 0.695 | No | Null hypothesis not rejected |
| 3 | Gender | 2.372 | 4 | 0.668 | No | Null hypothesis not rejected |
| 4 | Income | 12.103 | 16 | 0.737 | No | Null hypothesis not rejected |
| 5 | Occupation | 5.830 | 12 | 0.924 | No | Null hypothesis not rejected |

Table 8: Perception of Customers Regarding Problems while using ATM/ Debit Cards

| Sr. No. | Problems while using ATM Banking | 1 | 2 | 3 | 4 | 5 | Mean | S.D. |
|---------|--------------------------------------|-----|------|------|------|------|------|-------|
| 1 | Card gets blocked | 4 | 13 | 14 | 113 | 76 | 4.10 | 0.895 |
| | | 1.8 | 5.9 | 6.4 | 51.4 | 34.5 | | |
| 2 | Machine out of Cash | 13 | 46 | 20 | 103 | 38 | 3.47 | 1.169 |
| | | 5.9 | 20.9 | 9.1 | 46.8 | 17.3 | | |
| 3 | No Printing of Statement | 6 | 39 | 22 | 87 | 66 | 3.75 | 1.141 |
| | | 2.7 | 17.7 | 10.0 | 39.5 | 30.1 | | |
| 4 | Machine out of Order | 8 | 30 | 23 | 124 | 35 | 3.66 | 1.031 |
| | | 3.6 | 13.6 | 10.5 | 56.5 | 15.9 | | |
| 5 | Wrong amount in slip | 3 | 30 | 23 | 124 | 35 | 4.18 | 1.057 |
| | | 3.6 | 13.6 | 10.5 | 56.5 | 15.9 | | |
| 6 | Balance reduced without cash receipt | 3 | 26 | 15 | 89 | 87 | 4.04 | 1.031 |
| | | 1.4 | 11.8 | 6.8 | 40.5 | 39.5 | | |

(Note: 1 Very often, 2 Often, 3 Sometimes, 4 Rarely, 5 Never)

H₀₂: There is no association between demographic variables and satisfaction level of respondents for ATM Banking.

H₁₂: There is an association between demographic variables and satisfaction level of respondents for ATM Banking.

The above table shows that across all the demographic variables p-value more than 0.05. So, there is no association between demographic variables and satisfaction level of respondents using ATM Banking.

Perception of Customers Regarding Problems while using ATM/ Debit Cards

This section of the paper helps us know the respondents opinion regarding various problems in ATM banking services. As explained the **responses were obtained on the basis of 8 statements related to the problems** faced, while using ATM services on a five-point scale ranging from 1 to 5 (where 1 stands for very often and 5 for never).

Table 8 reveals that more than 60 percent of respondents perceive that they faced the listed problems to a little extent while using ATM services. As high as 26.8 percent of the respondents perceived that they often faced the problem ‘machine out of cash’ and ‘wrong amount on the slip’. Out of total almost 8 to 20 percent of the respondents were of the opinion that all the listed statements were often creates problem for them, while using ATM services. However, the majority of respondents expressed their neutral perception, related to the listed statements.

Hence, it can be concluded from the table that although more 50 percent of the total respondents have shown their disagreement to various listed statements related to problems of ATM services. So banking sector should work in the direction to reduce the percentages of the respondents who are agreeing that they have problems while using ATM banking.

Table 9: Comparison of Acceptance Index across the Demographic variables of respondents using Mean comparison statistics (One Way ANOVA or t-test)

| Demographic Variables | Mean | Standard Deviation | F value or t value | p-value |
|-----------------------------|-------------|--------------------|--------------------|---------|
| Type of Bank Account | | | | |
| Public Sector Bank | 2.69 | 1.15 | 0.774 | 0.439 |
| Private Sector Bank | 2.64 | 1.10 | | |
| Gender | | | | |
| Male | 2.68 | 1.10 | 0.363 | 0.716 |
| Female | 2.66 | 1.15 | | |
| Age | | | | |
| 15-25 years | 2.59 | 1.10 | 0.718 | 0.541 |
| 26-40 years | 2.67 | 1.13 | | |
| 42-60 years | 2.81 | 1.08 | | |
| More than 60 years | 2.55 | 1.11 | | |
| Income | | | | |
| Up to 3,00,000 | 2.80 | 1.19 | 2.433 | 0.046 |
| 3,00,001 to 6,00,000 | 2.52 | 1.14 | | |
| 6,00,001 to 10,00,000 | 2.71 | 1.12 | | |
| Above 10,00,000 | 2.60 | 1.12 | | |
| Occupation | | | | |
| Government Service | 2.61 | 1.14 | 1.515 | 0.209 |
| Private Service | 2.62 | 1.05 | | |
| Professionals | 2.67 | 1.13 | | |
| Business | 2.78 | 1.18 | | |
| Student | 2.52 | 1.14 | | |
| Total | 2.67 | 1.13 | | |

The table 9 (above) displays the mean comparison of Acceptance Index across demographic variables. Looking into overall scenario, the mean acceptance index found to be 2.67 which are moderate. While comparing the acceptance index across demographic variables, with the help of One-way ANOVA and t-test, acceptance index across all the demographic variables found to be identical except for Income (p-value = 0.046).

Findings:

- It is found that majority of the users of ATM banking falls in to age group of below 40 years and income below 6 lakhs. More than 50% of the ATM users are falls in to service class.
- More than 50% of the respondents are using ATM banking on weekly basis followed by fortnight and daily. Further it was found that there is no association between the demographic variables and frequency of ATM Banking usage.
- Majority of the respondents prefer ATM services because it provides any time access and convenience followed by ease of use.
- It is found out from the data that cash withdrawals, payment of utility bills and inter account fund transfer are frequently used services among respondents.
- Majority of the respondents identifies problems while operating ATM Banking in one or the other way.
- Overall it is found out that ATM banking is having moderate level of acceptance.
- It is also found out that majority of the respondents are Satisfied with the services provide through ATM Banking. Further it was found that there is no association between the demographic variables and level of satisfaction of ATM Banking.

Conclusion & future scope of study:

The present research concludes that ATM is a very convenient and has any time anywhere usage. As the services of ATM and number of ATM is increasing day-by-day, and simultaneously, the number of ATM users is also increasing, so it is important on the part of bank, to have an idea about what the ATM users are thinking about its various features, what are their problem areas, and to improve upon it. After these much years of implementation still the acceptance of ATM is found to be moderate, who can be improve upon by banks in order to get maximum advantage out of it. Level of

satisfaction from the existing ATM Banking services is comparatively high.

Findings of the study may be very useful for bank officials and it may also help the ATM section of the banks to develop their future plans and strategies. Similar studies can be carried out in other E-Banking delivery channels as well as other geographical areas for better clarity.

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Comparative Analysis of Perpetual and Non-Perpetual Users of Ayurvedic Medicines

Poonam Amrutia¹

Abstract

Since recent past, ayurvedic treatment is in limelight with regard to both-Users and Researchers of ayurvedic medicines. In order to determine the current market scenario, understanding of user perceptions is key facet. Hence, present study is an attempt to explore the perceptions of perpetual and non-perpetual users of ayurvedic medicines. In order to incorporate the views of 613 users, convenience sampling method was used. Comparative analysis of perpetual and non-perpetual users resulted that there is a significant difference in their perceptions and factors considered by them before starting ayurvedic treatment.

Key words: *Ayurveda, Ayurvedic Medicines, Perception, Perpetual and Non-Perpetual users.*

Introduction:

Ayurveda is the oldest system of medicine in the world and by far the most commonly practiced form of non-allopathic medicine in India. The Ayurvedic concept is believed to be developed between 2500 and 500?BC in India. Existence and use of ayurvedic medicines and therapies are also mentioned in ancient epics such as Ramayana and Mahabharata. Ayurveda is also known as 'The Mother of Healing', because it predates all other healing systems in the world.

Conventionally, in India, majority of people preferred home remedies (ayurvedic medicaments). They were used to self-help remedies to deal with primary health care. A home remedy is a natural treatment to cure a disease or ailment with the help of certain simple natural ingredients including different parts of medicinal plants, extracts, spices, vegetables, fruits, herbs, oil etc. Ayurvedic medicines are not only used by rural population of developing countries but are also used by nationals of developed countries where modern medicines dominate. In India, 70 percent of rural population depends on ayurvedic medicine treatment.

But, Ayurvedic medicines have gradually lost the ground after emergence of Allopathy medicines. Due to some limitations of ayurveda such as long duration of treatment and medicine consumption, form and taste of medicine etc., it prevail an alternative among consumers.

Moreover, consumers face a wide array of choice options. They have their own reasons for using drugs the way they do - reasons that are based on social and cultural rules, experience, health beliefs, financial means and psychological aspects. Consumers take

ayurveda as an alternative, preventive therapy, substitute of western medicine and as a last resort rather than as a natural rejuvenating and precautionary step for their health. In that way, perceptions of consumer is a thought provoking aspect to search for.

Review of Literature:

Consumer Perception regarding Ayurveda

According to Schiffman and Kanuk (2005), "Perception is the process by which an individual selects, organizes and interprets stimuli into meaningful and coherent picture of the world".

In marketing, perceptions are more vital than reality because it affects consumers' actual behaviour. Consumers generally see what they expect to see, and what they expect to see is generally based on previous experience or their expectations. In short, perception means awareness and it is customers' perception that leads them to buy the product. In views of Kurtz and Boone (2006), every person has different perceptions about any objects or events which are based upon interactions of two types of factors - individual factors and stimulus factors. Consumers today acquire ample options in selecting from various health treatments available to them. Even in countries with a dominant medical tradition, complementary and alternative medicines are increasingly available. Moreover, consumer perception towards healthcare is undergoing a paradigm shift at many levels such as by practitioners or doctors, healthcare product manufacturing companies as well as end users (Deshpande, 2015). Consumer perceptions plays an important role in prior health literature, mainly focused on risk perceptions, self-efficiency and response

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efficacy in shaping remedy preferences, decision making to treat ailment (Wenbo, 2010).

According to the report of AYUSH (Ayurveda, Yoga and Naturopathy, Unani, Soddha and Homeopathy) consumers neither have information about how to access good practitioner nor do they understand the applications of the drugs. Some people tend to ask the drug retailers for remedies including routine problems such as cough, cold, pains etc. They accept the product offered over the counter provided it carries an indication that it is ASU (Ayurveda, Siddha, Unani) medicine. While few users ask about literature of the product such as type of ingredients it contains and they also lack information on its proper usage (Suleiman, 2014).

Besides, Joshi (2008) examined that the perception of people about ayurvedic medicine is optimistic and affirmed the need to revive the traditional medicinal system. A study by Rekha and Gokila (2015), suggests that consumers of all age group, gender and educational qualification are aware about herbal ingredients of the ayurvedic medicaments. It is their perception which initiates them to switch over to herbal medicines and products.

Perception among Youngsters

Youngsters are more conversant and cognizant than previous generation regarding prevailing trends and scientific aspects related to healthcare. Zimmerman and Kandish (2012) stated that young generation seems more familiar with the benefits of herbal medicine and food supplements. Dr. Vijay Raghvan, secretary of Dept. of Biotechnology (Govt. of India), stated that during his public lecture, one teenager has raised the question about his opinion for allegedly reluctant systems of medicines such as Ayurveda and Yoga? (Patwardhan, 2015) This question expresses prevailing perception among young generation and awareness among Indian community. To meet the answers of such questions and to raise the awareness and consumption of ayurvedic medicines, ayurvedic stakeholders need to encourage scientific research, evidence based practice and a strong conceptual clarification. Moreover, there is also a need to create attentiveness among the youngsters about strong conceptual theory and systematic approach of Ayurveda. All these together will ensure the ayurvedic medicine's quality standard, safety and efficacy and will build the confidence about Indian Traditional System of Medicine against allopathy.

Purchase Decision Making for Ayurvedic Medicines

Literature shows majority of people gives priority to allopathy medicines for instant relief, effect, convenience, ready-made preparations and because they are accustomed with western medicine. Some of the reasons behind giving second priority to ayurvedic medicines are the taste of ayurvedic medicine (somewhat bitter and undesirable), form of medicine (less available in tablet form), restrictions (in terms of patient's food and daily activities), Cost (parallel or higher compare to allopathy medicines), lack of free ayurvedic treatment available in nearby area. Moreover, only in some of the reachable areas, herbs are freely available, or else, because of the clearance of forests collection of many herbs is difficult and now they have to be imported at considerable expense from India. So, people generally do not prefer to search at remote places for collecting the ingredients for the medicines.

But, with the time span people started adopting ayurvedic medicines due to heavy side effects of allopathy. Many people started believing Ayurveda a safe and natural medicine, without any side effects.

In views of Spudich, A. and Menon, I. (2014), cost of medicine was not top most affecting factor to patients for choosing ayurveda in chronic illness. They have shown familiarity with herbs and its nature of curing disease from root level and also in record time (Barot, 2012). Research by Eisenberg & Furnham (1996) reveals that usually, individuals use complementary and alternative medicines to treat chronic as well as non- serious and non-life threatening diseases.

Miller, (2000) analyzed in their study that a major challenge is the patient who chooses to use herbal products as a substitute for conventional therapy without the knowledge and approval of the primary care provider. Generally it is used more frequently for chronic conditions, such as body pain and allergies, than for keen or life threatening state of order. Likewise, most people cite positive reasons for selecting ayurvedic treatments, for instance an aspiration to take care of their good health, or compatibility with their belief systems, rather than pessimistic reasons such as a fear of conventional care (Pampattiwar, and Advani, 2012).

There also exists another group of consumers in society who believes that some ayurvedic formulas may contain toxic levels of heavy metals, pose a serious risk

to health similarly, when used in combination with allopathic drugs they may alter their pharmacodynamics which is not true for all medicines. Some of recent researches succeed to prove so. Moreover, people have limited or absence of knowledge regarding occurrence of herbal remedies is due to the presence of synergistic activity among some of the ingredients of herbal mixtures (Balasubramaniam, 2006). Hence, these types of seldom experiences are sufficient for the community which does not have much faith in Ayurveda and ayurvedic medicines.

However, another fact associated with this is, in fact, standard text-books of Ayurveda also mention that ayurvedic drugs can be toxic if, used improperly, Charaka in his book Charaka Samhita stated that 'A potent poison also becomes the best drug on proper administration. In contrast, even the best drug becomes a potent poison if used badly' (Thattai, et al. 1993). Moreover, Ayurvedic practice does not follow any uniqueness which can confuse both the patient and practitioner (Wagh, and Vadgule, 2013).

In a study by Glynn, & Heymann, (1985) they stated that age and sex of the patient, the type of job done by the consumers and their reasons for choosing particular medicine do not persuade them. They also found that there is no considerable connection between the nature of the illness/disease and the reasons given by the patients for selecting particular type of medicine.

Another important factor associated with search behaviour of consumers, purchase decision and selection of the service was founded by Vissandjee, et al. (1997) in their study on rural women's of Gujarat. They noticed that women seemed to be more susceptible to travelling time to reach at the health service and its associated costs (transportation and time costs) than to the direct costs of service. It was surprising that women's occupation and sanitation facilities were not important predictors of use of service. This indicates that apart from the toxic effect factor, age and income of consumer, there exist many other unidentifiable factors which influences purchase decisions of consumers (Blais, et al., 1997).

Objectives of the study:

We aim to study and compare the opinion of perpetual and non-perpetual users of ayurvedic medicines in light of following two aspects:

- ❖ User perceptions regarding ayurvedic medicines and,
- ❖ Important aspects considered by users before consuming ayurvedic medicines.

Research Methodology:

Present study followed descriptive research design to fulfill the study objectives. The sample size of the study was 613 respondents. Among them, 324 were non-perpetual users and 289 were perpetual users of ayurvedic medicines.

Users consulting at Government ayurvedic hospitals of six cities of Gujarat namely Jamnagar, Ahmedabad, Vadodara, Bhavnagar, Nadiad and Surat were considered as respondents of the study. The selection of these hospitals is done based on number of beds acquired by the hospital and only those hospitals which are attached with colleges. To collect the primary data from the respondents, convenience sampling method under non probability sampling technique was used. Following table shows collection of data from selected cities:

| Sr. No. | City | Sample Size |
|---------|--------------|-------------|
| 1 | Jamnagar | 104 |
| 2 | Ahmedabad | 110 |
| 3 | Vadodara | 92 |
| 4 | Bhavnagar | 106 |
| 5 | Nadiad | 93 |
| 6 | Surat | 108 |
| | Total | 613 |

Primary data was collected through structured closed ended questionnaire. Keeping in view the common language of the respondents, the questionnaire was provided in two common languages English and Gujarati. Questionnaire in Gujarati was first prepared in English and then translated into Gujarati. Total 800 questionnaires were distributed. Out of them 123 questionnaires were discarded as they were either partially filled or were vague and 64 questionnaires were not returned back. Hence, final sample size was restricted to 613.

Statistical Analysis and Interpretation:

Independent sample t-test was carried out to for comparative analysis of perpetual and non-perpetual users.

Ha₁: There is a significant difference between perceptions of perpetual and non-perpetual users of ayurvedic medicines.

Table 1: Independent Sample t-Test

| Aspects | | Levene's Test for Equality of Variances | | t-test for Equality of Means | | |
|---|-----------------------------|---|------|------------------------------|---------|-----------------|
| | | F | Sig. | t | df | Sig. (2-tailed) |
| Ayurveda removes disease from root level | Equal variances assumed | 12.157 | .001 | -3.566 | 611 | .000 |
| | Equal variances not assumed | | | -3.585 | 610.693 | .000 |
| Ayurveda has a potential to cure many chronic ailments (such as allergy, B.P., diabetes etc.) | Equal variances assumed | 1.441 | .230 | -2.532 | 611 | .012 |
| | Equal variances not assumed | | | -2.537 | 606.884 | .011 |
| Ayurvedic medicines are safe and does not have any side effects | Equal variances assumed | .538 | .464 | -2.033 | 611 | .042 |
| | Equal variances not assumed | | | -2.033 | 602.648 | .042 |
| All ayurvedic medicines sold in market possess natural contain | Equal variances assumed | .510 | .476 | -.413 | 611 | .680 |
| | Equal variances not assumed | | | -.412 | 600.424 | .680 |
| Consumption of ayurvedic medicines can increase if it is also available in tablet/capsule forms | Equal variances assumed | 2.959 | .086 | -2.641 | 611 | .008 |
| | Equal variances not assumed | | | -2.651 | 609.312 | .008 |
| The taste of most of ayurvedic medicines is not good | Equal variances assumed | .367 | .545 | .108 | 611 | .914 |
| | Equal variances not assumed | | | .108 | 605.168 | .914 |
| Expensive medication and treatments are available free of cost in Govt. ayurvedic hospitals | Equal variances assumed | .097 | .756 | -1.604 | 611 | .109 |
| | Equal variances not assumed | | | -1.604 | 602.971 | .109 |
| Ayu. treatments such as Yoga, Panchkarma, Healing etc. improves patients mental status | Equal variances assumed | .571 | .450 | -1.478 | 611 | .140 |
| | Equal variances not assumed | | | -1.477 | 601.489 | .140 |
| It is a systematic treatment which concentrates on both body & mind | Equal variances assumed | 1.341 | .247 | -1.987 | 611 | .047 |
| | Equal variances not assumed | | | -1.991 | 606.942 | .047 |
| Proper ayurvedic treatment improves physical quality status of patients | Equal variances assumed | 4.579 | .033 | -2.476 | 611 | .014 |
| | Equal variances not assumed | | | -2.487 | 610.045 | .013 |
| Ayurvedic treatment is more time consuming | Equal variances assumed | .858 | .355 | -.838 | 611 | .402 |
| | Equal variances not assumed | | | -.842 | 610.379 | .400 |
| Recently the usage of ayurveda by educated people has increased | Equal variances assumed | 13.647 | .000 | -4.235 | 611 | .000 |
| | Equal variances not assumed | | | -4.257 | 610.621 | .000 |
| Overall consumer awareness regarding ayurveda is less compare to allopathy medicines | Equal variances assumed | 3.988 | .046 | -.953 | 611 | .341 |
| | Equal variances not assumed | | | -.959 | 610.789 | .338 |
| Mind set of Indians are still not accepting Yoga and Pranayama as daily practice | Equal variances assumed | .702 | .402 | -.592 | 611 | .554 |
| | Equal variances not assumed | | | -.592 | 606.004 | .554 |

| | | | | | | |
|--|-----------------------------|--------|------|--------|---------|-------------|
| Sufficient number of ayurvedic drug retailers are available in your city | Equal variances assumed | 6.080 | .014 | -2.600 | 611 | .010 |
| | Equal variances not assumed | | | -2.618 | 610.969 | .009 |
| I will regularly use ayurvedic medicines in future, if needed | Equal variances assumed | 12.187 | .001 | -4.307 | 611 | .000 |
| | Equal variances not assumed | | | -4.328 | 610.550 | .000 |
| I will never switch to other modern medicines (such as allopathy) for the same problem as current one | Equal variances assumed | .337 | .562 | -2.860 | 611 | .004 |
| | Equal variances not assumed | | | -2.871 | 609.474 | .004 |
| I will inform others who are not aware about the benefits and various treatments available in ayurveda | Equal variances assumed | 14.152 | .000 | -3.330 | 611 | .001 |
| | Equal variances not assumed | | | -3.352 | 611.000 | .001 |

It can be observed from Table 1 that there are eleven factors which are statistically significant for opinion of consumers regarding Ayurveda. Hence, H₀ can be rejected with 95 per cent level of confidence, means there is a significant difference between perpetual and non-perpetual users regarding their perception about ayurveda as far as these eleven aspects are concerned. Remaining statements were not statistically significant.

Ha₂: There is a significant difference between factors considered by perpetual and non-perpetual users of ayurvedic medicines.

It can be observed from Table 2 that there are seven aspects which are statistically significant for factors considered by consumers before consuming ayurvedic medicines. Hence, null hypothesis can be rejected and it can be said that there is a significant difference between perpetual and non - perpetual users regarding factors considered by them before consuming ayurvedic medicines as far as these seven aspects are concerned. Remaining statements were not statistically significant.

Findings and Conclusion:

Results of comparative analysis between perpetual and non-perpetual users were found statistically significant. Eleven statements out of eighteen related to perception and seven statements out of twenty one related to factors considered by users before starting ayurvedic treatments were significant. Based on present study findings, it can be concluded that the approach of perpetual and non-perpetual users regarding ayurveda, ayurvedic medicines and factors to be considered before starting ayurvedic treatment is diverge pertaining to several aspects covered in the study.

Limitations and Avenues for Further Research:

The study used convenience sampling method which sometimes generates biasness in terms of selection

of respondents as sample. The present study has incorporated views of those consumers who are visiting Government ayurvedic hospitals of selected cities only. Future work can examine the potential for cultural differences between more cities and states of India. Addition of the views of those respondents who are consulting to private ayurvedic clinics may add more value. Solitary study of either perpetual or non-perpetual users of ayurvedic medicines can extend the understanding with more detailed investigation. Moreover, study including more aspects concerned user perceptions related to source of information for ayurvedic medicines and advertising & marketing strategies can add feather to the cap.

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Table 2: Independent Sample t-Test

| Aspects | | Levene's Test for Equality of Variances | | t-test for Equality of Means | | |
|--|-----------------------------|---|------|------------------------------|---------|-----------------|
| | | F | Sig. | t | df | Sig. (2-tailed) |
| Type of ailment you are passing through | Equal variances assumed | 5.351 | .021 | -2.228 | 611 | .026 |
| | Equal variances not assumed | | | -2.240 | 610.720 | .025 |
| Possible time span to recover from chronic ailment | Equal variances assumed | .776 | .379 | -1.423 | 611 | .155 |
| | Equal variances not assumed | | | -1.423 | 603.501 | .155 |
| Possible consumption period required to take ayurvedic medicines to cure disease fully | Equal variances assumed | 3.191 | .075 | -2.058 | 611 | .040 |
| | Equal variances not assumed | | | -2.063 | 608.152 | .040 |
| Familiarity with ayurvedic medicines | Equal variances assumed | .085 | .770 | .211 | 611 | .833 |
| | Equal variances not assumed | | | .211 | 600.185 | .833 |
| Cost of ayurvedic medicine | Equal variances assumed | .175 | .676 | -.429 | 611 | .668 |
| | Equal variances not assumed | | | -.429 | 600.658 | .668 |
| Less side effects of ayurvedic medicine | Equal variances assumed | 5.261 | .022 | -1.224 | 611 | .222 |
| | Equal variances not assumed | | | -1.230 | 610.419 | .219 |
| Form of ayurvedic medicine available (tablets, powder, liquid and oil) | Equal variances assumed | .003 | .953 | -.548 | 611 | .584 |
| | Equal variances not assumed | | | -.547 | 600.313 | .584 |
| Information available about the brand of the medicine | Equal variances assumed | 5.694 | .017 | -.525 | 611 | .599 |
| | Equal variances not assumed | | | -.528 | 610.868 | .597 |
| Familiarity with ayurvedic treatments | Equal variances assumed | 6.362 | .012 | -1.592 | 611 | .112 |
| | Equal variances not assumed | | | -1.600 | 610.535 | .110 |
| Precautions need to be followed during treatment | Equal variances assumed | 5.932 | .015 | -2.366 | 611 | .018 |
| | Equal variances not assumed | | | -2.379 | 610.845 | .018 |
| Faith in ayurveda | Equal variances assumed | 10.48 | .001 | -3.822 | 611 | .000 |
| | Equal variances not assumed | | | -3.851 | 610.742 | .000 |
| Feature of providing long term/permanent relief after treating the disease | Equal variances assumed | 2.660 | .103 | -2.122 | 611 | .034 |
| | Equal variances not assumed | | | -2.130 | 609.535 | .034 |
| Result of past ayurvedic treatment | Equal variances assumed | 8.910 | .003 | -4.017 | 611 | .000 |
| | Equal variances not assumed | | | -4.036 | 610.468 | .000 |
| Familiarity with ayurvedic practitioner/Doctor | Equal variances assumed | .394 | .531 | -1.823 | 611 | .069 |
| | Equal variances not assumed | | | -1.823 | 603.289 | .069 |
| Reliability and trust upon ayurvedic doctors | Equal variances assumed | 1.405 | .236 | -1.406 | 611 | .160 |
| | Equal variances not assumed | | | -1.409 | 606.711 | .159 |

| | | | | | | |
|--|-----------------------------|-------|------|--------|---------|-------------|
| Advertising of ayurvedic medicines | Equal variances assumed | .295 | .587 | .607 | 611 | .544 |
| | Equal variances not assumed | | | .608 | 605.581 | .543 |
| Consultation with ayurvedic doctors before taking ayurvedic medicines directly from ayurvedic drugs retailer | Equal variances assumed | 4.175 | .041 | -1.084 | 611 | .279 |
| | Equal variances not assumed | | | -1.088 | 609.368 | .277 |
| Further consulting to ayurvedic doctors rather than continuing with the same medications ahead | Equal variances assumed | 6.425 | .012 | -2.952 | 611 | .003 |
| | Equal variances not assumed | | | -2.963 | 609.215 | .003 |
| Availability of Govt. ayurvedic hospital in nearby area | Equal variances assumed | .446 | .505 | -1.703 | 611 | .089 |
| | Equal variances not assumed | | | -1.703 | 603.310 | .089 |
| Distribution of free of cost medicines by Govt. ayurvedic hospitals | Equal variances assumed | .073 | .786 | -.608 | 611 | .544 |
| | Equal variances not assumed | | | -.606 | 597.210 | .544 |
| Recommendation of allopathy doctors to take ayurvedic medication for your ailment | Equal variances assumed | 1.391 | .239 | .633 | 611 | .527 |
| | Equal variances not assumed | | | .631 | 594.323 | .528 |

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Measuring Customer Satisfaction for Services Rendered by Hotels using Importance-Performance Analysis

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Abstract

Purpose

To identify the dimension related to customer satisfaction with regards to services rendered in the hotels and to measure customer satisfaction.

Design/ Methodology

The study attempts to measure satisfaction related to services rendered by the hotels from the customers' perspective. Descriptive research design and survey method was adopted for the study. The sample unit was hotel customers. Non probability convenience sampling procedure was adopted and 260 hotel customers were contacted to measure the customer satisfaction. Importance performance analysis model has been used to measure the customer satisfaction. Factor analysis was conducted to identify the dimensions related to customer satisfaction.

Findings

Through Factor analysis 6 dimensions of customer satisfaction were identified. They were interactive marketing, safety, tangible and value for money, responsiveness and assurance, service enhancers-hospitality and exceptions, service reliability, and convenience. The customers are satisfied with all the aspects related to tangibles, empathy and responsiveness. According to them reliability and assurance must be improved by the hotel management.

Keywords: *Customer satisfaction, service quality, importance-performance analysis.*

Introduction

The hotel industry is a significant component of the tourism industry. For the success and development of service organization, customer satisfaction is a pre requisite condition. Thus for quality improvement, one of the essential requirement for hotel industry is to uphold the method and process for customer's satisfaction measurement and evaluation. Management's ultimate goal is to make their customers happy so that they visit their hotel again and spread positive word of mouth.

Hotels constantly receive feedback from their customers that helps them to gain insight about the common themes involved with positive guest experiences. By scrutinizing this feedback, managers can learn about improving their relations with the customers. The success of the hospitality industry is dependent on the effective management of the "service encounter" which is defined as the time or situation when the customers directly come into face to face and voice to voice interaction with the service provider. This service encounter is refereed as the "Moment of Truth", in which customers often develop unforgettable impressions of the service provider. The

present study was undertaken to measure the customer satisfaction related to the services rendered by the hotels.

Literature Review

Customer satisfaction is an important concept in service literature (Douglas and Fredendall, 2004). Commitment to enhance customers' satisfaction is the main mission statement for every organization (Babakus et al., 2004) because they weigh the service elements of the organisation and evaluate about the about the service quality (Harvey, 1998; Brady and Robertson, 2001). Customer evaluations on service are highly dynamic, complex, and subjective in nature. The effective and timely responses to customer needs are very essential to survive and prosper in the rapidly changing environment. Customer satisfaction reflects the degree to which a customer believes that the use of service evokes positive feelings (Rust and Oliver, 1994). It is the extent to which customers perceive whether their needs are being met by the firm's services.

Antecedents of customer satisfaction recognized by various researchers are employees (Liao and Chuang,

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2004), price-based prescriptions (Heskett et al., 1990; Ortmeyer et al., 1991), and perceived quality (Fornell et al., 1996). Market-related variables such as the availability of alternative services and competitors' prices are more likely to have an impact on customer satisfaction. Customer satisfaction decreases customer complaints and increases customer loyalty (Fornell and Wernerfelt, 1987; Reichheld and Sasser, 1990; Fornell et al., 1996), increases repurchase intentions (Mittal et al., 1998; Gotlieb et al., 1994), and leads to better financial performance (Babakus et al., 2004; Buzzell and Gale, 1987; Fornell, 1992; Ittner and Larcker, 1998; Anderson et al., 1994b; Kordupleski et al., 1993; Nelson et al., 1992).

Although the term quality and satisfaction are sometimes used interchangeably, researchers stress need for greater precision. According to Zithaml and Bitner

(1998), satisfaction is a broader concept. According to them perceived service quality is but one component of customer satisfaction, which also reflects price-quality tradeoffs and personal and situational factors. Satisfaction can be defined as an attitude-like judgement following a purchase act or a series of consumer-product interactions.

Research Methodology

Research Approach, Design, Methods

Descriptive research design and survey method was used for the study. Non probability convenience sampling method was adopted for data collection. 260 hotel customers were contacted. The instrument used was a questionnaire. Existing measurements from past researchers were used in the questionnaire. Five-point rating scale had been used for eliciting views of the customers and to measure the constructs.

Table:1 Research Approach, Design, Research Methods, Sampling Plan and Instrument

| Research Approach | Research Design | Research Method | Sampling Plan | | | Instrument |
|-------------------|-----------------|-----------------|---------------|-------------|-----------------------------|------------------------|
| | | | Sample Unit | Sample Size | Sampling Procedure | |
| Quantitative | Descriptive | Survey | Hotel Guests | 260 | Non-Probability Convenience | Undisguised Structured |

Table: 2 Hotel guests contacted

| Sr.No | Hotel Name | Respondents |
|-------|---------------------------|-------------|
| 1 | The Grand Bhagwati, Surat | 110 |
| 2 | The Gate Way, Surat | 80 |
| 3 | Hilton Shillim , Lonavala | 40 |
| 4 | Moksh, Chandigarh | 30 |
| Total | | 260 |

Instrument Development

Through extensive literature review, the undisguised structured questionnaire for the customers for the research study was adapted from the contributions of the following researchers:

Analysis

Reliability Test

The reliability of the instrument was measured using the Cronbach Alpha test. Cronbach's Alpha value was (.965) and (.954) for the importance of customer

satisfaction and service attributes performed by customer's perception respectively. Hence, reliability of the instrument is excellent for both importance and performance of the services attributes of the hotels.

Table 3: Customer Satisfaction Measures

| Scale-Dimension Measured | Scale-Developed By |
|--|--|
| Customer Satisfaction | Eiglier and Langeard's (1987) ; Brady et al. (2005) and Cronin et al. (2000) |
| Hotel guest satisfaction | Han et al. (2011); Maxham and Netemeyer (2002) |
| Customer Perceived value | Zeithaml's (1988); Brady et al. (2005) and Sirohi et al. (1998) |
| Customer Loyalty | Mowday et al. (1979); Durvasula et al.(1999) |
| Customer experience | (Grace and O'Cass, 2004 |
| Continuity in relationship with customer | Kim and Cha (2002) |
| Revisit intention | Han et al.(2011) ; Maxham and Netemeyer (2002) |
| Positive word of mouth intention | Han et al.(2011) ; Maxham and Netemeyer (2002) |
| Perceived Service quality | Cronin and Taylor (1992) ; Zeithaml et al.(1996) |

Table 4 : Importance Performance

| Cronbach's Alpha | N of Items |
|------------------|------------|
| .965 | 35 |

Table 5 : Reliability Statistics

| Cronbach's Alpha | N of Items |
|------------------|------------|
| .954 | 19 |

From the Table-6 it can be seen that 6 dimensions of service quality were identified through factor analysis. They were interactive marketing, safety, tangible

and value for money, responsiveness and assurance, service enhancers-hospitality and exceptions, service reliability, convenience.

Table: 6 Output of factor analysis: Dimensions Related to customer Satisfaction

| Component | Item | score | Dimension |
|-----------|---|-------|---|
| 1 | The employees deals with their customers in caring fashion | .607 | Interactive marketing |
| | The hotel employees appear neat and professional | .398 | |
| | Materials associated with the service (such as pamphlets or statements) are visually appealing. | .690 | |
| | Hotels fixtures and fittings are comfortable. | .439 | |
| | Employees in the hotel are never too busy to respond to their customer's request | .686 | |
| | Employees instill a sense of trust in their customer's | .681 | |
| | Employees provide valuable benefits to customer's. | .734 | |
| | Employee's strive to prevent service failures in advance. | .771 | |
| | Employee's constantly check the process of solving customer complaints | .664 | |
| | Employees are always willing to process their customers' needs | .543 | |
| 2 | Customers feel safe in their transactions(delivery of service) with the hotel | .517 | Safety, tangibles and value for money |
| | Customers feel safe and secure in their stay with this hotel | .457 | |
| | Equipments and facilities are easy to use | .542 | |
| | Equipments and facilities are generally clean. | .622 | |
| | Hotel has variety of foods and beverages to meet guest's needs | .745 | |
| | Employees reduces customer's waiting time. | .503 | |
| | Guests are satisfied with the hotel services and perceive cost equivalent to benefit | .601 | |
| | Customer's feel that employees provide benefit to them | .671 | |
| 3 | The hotel keeps customers informed about when services will be exactly performed | .570 | Responsiveness and assurance |
| | Employees in the hotel gives prompt service. | .798 | |
| | Employees in this hotel are always willing to help you. | .741 | |
| | The behaviour of the employees in the hotel instils confidence in their customers | .684 | |
| | Employees in the hotel are consistently polite and courteous with their customer | .602 | |
| | Hotels employees have the knowledge to answer your questions. | .586 | |
| | Employees have the skill to perform the services. | .628 | |
| 4 | The hotel 's employees gives you individual attention. | .660 | Service Enhancers- Hospitality and exceptions |
| | The hotel has customers best interests at heart. | .663 | |
| | An employee here understands customer's specific needs. | .581 | |
| | The hotel has modern looking equipment, Fixtures and fittings. | .494 | |
| | The hotel's physical facilities are visually appealing. | .621 | |
| 5 | Hotel promises to provide services by a certain time & does so. | .791 | Service reliability |
| | The hotel shows a sincere interest(dependability) in handling service problems | .761 | |
| | The hotel performs the service right the first time. | .567 | |
| | Hotel provides its services at the time it promises to do so. | .664 | |
| 6 | Services of the hotel have convenient business hours/ time | .614 | Convenience |

Table 7: Measuring Customers' Satisfaction

| Sr. No | Item | *Importance(I) (Mean Score) | **Performance(P) (Mean Score) | Remark (P-I) |
|--------|--|--------------------------------|----------------------------------|-----------------|
| B1 | Promises to provide a service and does so | 3.4846 | 3.5808 | 0.10 |
| B2 | Shows a sincere interest in handling service problems | 3.7077 | 3.6731 | -0.03 |
| B3 | Performs the service right the first time. | 3.7231 | 3.5692 | -0.15 |
| B4 | Provides services at the time it promises to do so. | 3.8462 | 3.7577 | -0.09 |
| B5 | Keep customers informed when services will be performed | 3.8192 | 3.7115 | -0.11 |
| B6 | Gives prompt service | 3.8962 | 3.8346 | -0.06 |
| B7 | Always willing to help | 4.0462 | 3.8269 | -0.22 |
| B8 | Employee's behaviour instills confidence in their customers. | 3.8654 | 3.8077 | -0.06 |
| B9 | Customers feel safe in transactions (delivery of services) | 3.7923 | 3.8385 | 0.05 |
| B10 | Guests feel safe and secure in their stay | 3.8154 | 3.9346 | 0.12 |
| B11 | Employees are polite and courteous | 3.9115 | 3.8038 | -0.11 |
| B12 | Employees have the knowledge to answer questions. | 3.8423 | 3.7962 | -0.05 |
| B13 | Employees have the skill to perform the services. | 3.9038 | 3.8385 | -0.07 |
| B14 | Employees gives individual attention to customers | 3.8346 | 3.8154 | -0.02 |
| B15 | Employees deals with guests in caring fashion | 3.7615 | 3.8500 | 0.09 |
| B16 | Has a customer's best interest at heart. | 3.7615 | 3.8500 | 0.09 |
| B17 | Employees understand customer's specific needs. | 3.8115 | 3.8577 | 0.05 |
| B18 | Hotel has modern looking equipment, Fixtures and fittings. | 3.8385 | 3.9885 | 0.15 |
| B19 | The hotel's physical facilities are visually appealing. | 3.7231 | 3.8962 | 0.17 |
| B20 | Employees appear neat and professional | 3.9885 | 4.0577 | 0.07 |
| B21 | Materials associated with the service (such as pamphlets or statements) are visually appealing | 3.8308 | 3.9115 | 0.08 |
| B22 | Hotels fixtures and fittings are comfortable. | 4.0192 | 3.9577 | -0.06 |
| B23 | Equipments and facilities are easy to use | 3.9615 | 3.9538 | -0.01 |
| B24 | Equipments' and facilities are generally clean. | 3.9192 | 4.0154 | 0.096 |
| B25 | Has variety of foods and beverages to meet guest's needs | 3.9885 | 3.9885 | 0.0 |
| B26 | Services of the hotel have convenient business hours/ time | 3.9885 | 3.9885 | 0.0 |
| B27 | Employee's reduces customer's waiting time. | 3.9962 | 3.9269 | -0.07 |
| B28 | Staff is never too busy to respond to their customer's request | 3.8385 | 3.9308 | 0.09 |
| B29 | Employees instill a sense of trust in their customer's | 3.8269 | 3.9269 | 0.1 |
| B30 | Employees provide valuable benefits to customers. | 3.9923 | 3.9462 | -0.05 |
| B31 | Employees strive to prevent service failures in advance. | 3.8385 | 3.9846 | 0.15 |
| B32 | Employee's constantly check the process of solving customer complaints | 3.8615 | 3.8654 | 0.0039 |
| B33 | Guests feel employees are willing to process their needs | 3.7923 | 3.8577 | 0.06 |
| B34 | Customers feels employee's provides benefits to them | 3.9000 | 3.9192 | 0.0192 |
| B35 | Customers are satisfied with the hotel services and perceive cost equivalent to benefit | 3.9500 | 3.9808 | 0.031 |

* Rating obtained from a five-point Likert scale ranging from "Very unimportant" (1) to "Very important" (5).

**Rating obtained from a five-point Likert scale ranging from "Very Dissatisfied " (1) to "Very Satisfied" (5).

From the above table, it could be interpreted that the customers are satisfied with all the aspects related to tangibles, empathy and responsiveness. According to them reliability (item 1 to7) and assurance (item 8, 11 to 14) must be improved by the hotel management.

Measuring customers'- Importance-Performance matrix (adapted from Martilla and James, 1977)

Importance-Performance Analysis was first proposed and introduced by Martilla and James (1977) as a means to measure client satisfaction with a product or service. The Importance Performance Analysis

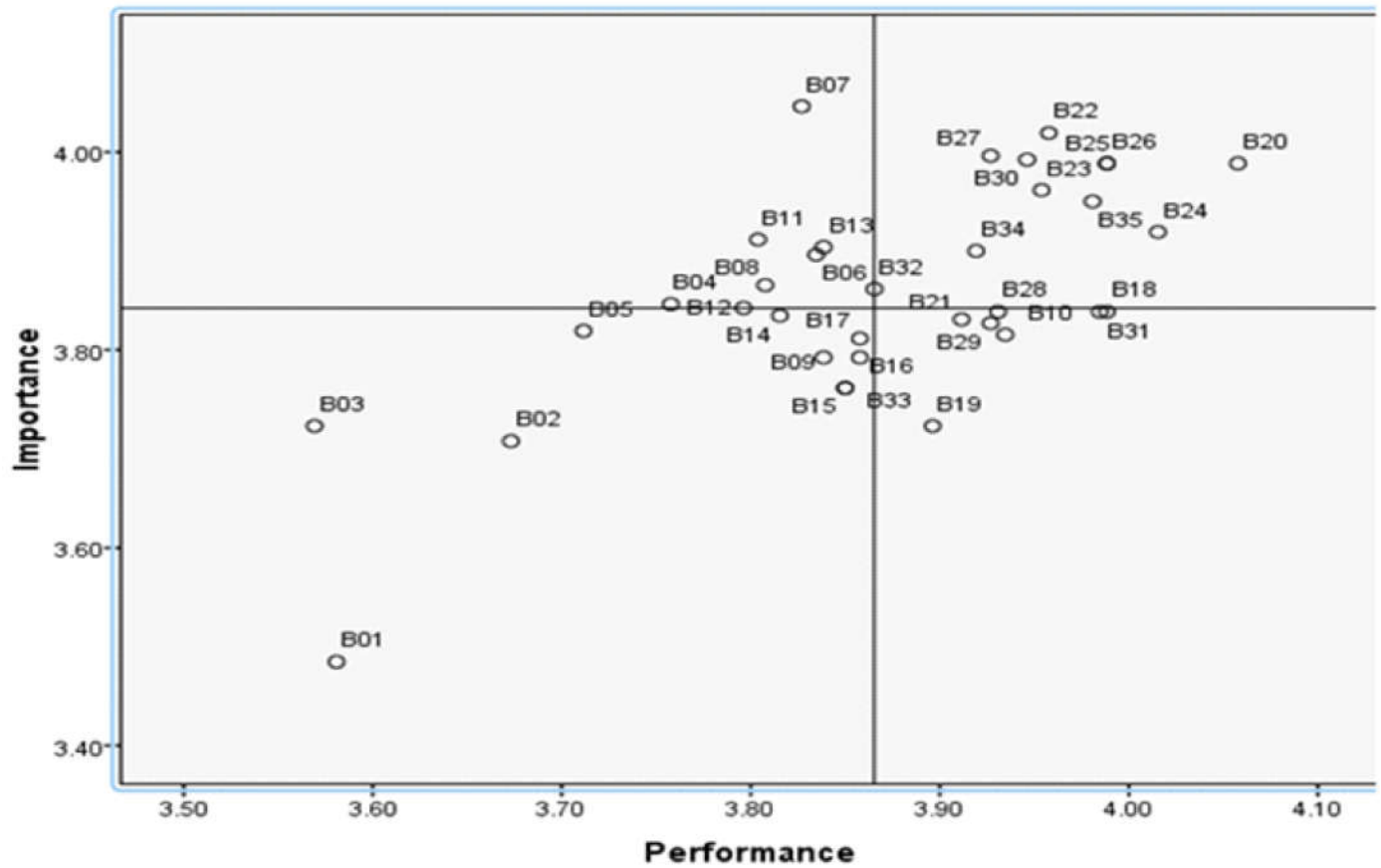
approach recognizes satisfaction as the function of two components: the importance of a product or service to a client and the performance of a business in providing that service or product (Martilla and James, 1977). In this way, Importance Performance Analysis examines not only the performance of an item, but also the importance of that item as a determining factor in satisfaction to the respondent. The combined client ratings for those two components then provide an overall view of satisfaction with clear directives for management and where to focus agency resources.

The study investigated the importance and performance of service attributes of the hotels as perceived by the employees and customers. The study

measured customer satisfaction related to services rendered by the hotels. For that importance performance analysis model has been used.

Customer's importance-performance matrix analysis

Fig.: 2 Importance performance analysis- customer's perspective (Adapted from Martilla and James, 1977)



Quadrant A in the figure shows important service elements that are not being performed at the desired level; they include the items B4, B6, B7, B8, B11, and B13. Therefore the Hotel should concentrate on improving the services on these elements. Quadrant B shows important service elements that are being performed well; the hotel therefore needs to maintain the high performance. They include the items: B18, B20, B22, B23, B24, B25, B26, B27, B28, B30, B34, and B35. Quadrant C shows service elements that are being delivered in a mediocre way but do not need any attention. Quadrant D shows that service elements "B19, B29 Items"; are being performed in an excellent manner.

The Table-8 indicates that hotels must concentrate on the dimension of responsiveness and assurance as they are not performing well on these dimensions. The interacting marketing dimension is being performed in an excellent manner.

Conclusion

The hotels must concentrate on the dimension of responsiveness and assurance as they are not performing well on this dimension. Special focus needs to be made related to "Keep customers informed when services will be performed" and "Employees have the knowledge to answer questions". The hotels need to develop better communication with the guests. This could be through better signage related to directions and timings of the services; and by providing training to frontline employees so that they could give accurate information about the services being provided. The hotels need to conduct research related to the gaps in knowledge of the employees and then conduct training sessions to plug these gaps. They could provide training to the employees related to the products and services offered and processes of the hotel. With regards to the reliability dimension they need to improve upon "Provides services at the time it

Table 8: Strategies for Hotels Dimension-wise

| Dimension | Item | Strategies for Hotels | | | |
|---|------------|-----------------------|-----------------------|--------------|-------------------|
| | | Concentrate Here | Keep up the Good Work | Low Priority | Possible Overkill |
| Interactive marketing | B35 | | ✓ | | |
| | B20 | | ✓ | | |
| | B21 | | ✓ | | |
| | B22 | | ✓ | | |
| | B28 | | | | ✓ |
| | B29 | | | | ✓ |
| | B30 | | | | ✓ |
| | B31 | | | | ✓ |
| | B32 | | ✓ | | |
| | B33 | | | | ✓ |
| Safety, tangibles and value for money | B9 | | | ✓ | |
| | B10 | | | | ✓ |
| | B23 | | ✓ | | |
| | B24 | | ✓ | | |
| | B25 | | ✓ | | |
| | B27 | | ✓ | | |
| | B35 | | ✓ | | |
| | B34 | | ✓ | | |
| Responsiveness and assurance | B5 | ✓ | | | |
| | B6 | ✓ | | | |
| | B7 | ✓ | | | |
| | B8 | ✓ | | | |
| | B11 | ✓ | | | |
| | B12 | ✓ | | | |
| | B13 | ✓ | | | |
| Service Enhancers- Hospitality and exceptions | B14 | | ✓ | | |
| | B16 | | | | ✓ |
| | B17 | | ✓ | | |
| | B18 | | ✓ | | |
| | B19 | | | | ✓ |
| Service reliability | B1 | | | ✓ | |
| | B2 | | | ✓ | |
| | B3 | | | ✓ | |
| | B4 | ✓ | | | |
| Convenience | B26 | | ✓ | | |

promises to do so". The interacting marketing dimension is being performed in an excellent manner. They should keep up the good work related to these aspects. Hotels must concentrate on Safety, tangibles and value for money dimensions.

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Sprouting Strategy Re-established: A Case Study of JIO?

Saroj Vats¹ and A. Kumar²

Abstract

On the Birth anniversary of Late Dhirubhai Ambani, Reliance Infocomm launched JIO. Jio means a life that's why the name of the 4G phone is also left. Since launch, JIO is in controversies. Sunil Mittal alleged that there is competition for products and their price but there would be no competition for free things. Jio entered as a disruptor to the Indian telecom industry. It captured market immediately. Jio is biggest start-up company of the world. It has an investment of 150,000 crore rupees. During the trial, the company gets 2.5 crore subscribers. The aim of Jio is to grab a major share of Indian telecom market. The company came with latest and attractive offers along with least price in the market. It never happened in the Indian market that a newly started company gets such a high response in their introduction stage. The AIDA approach is failed totally in case of Jio. It is haunting the mind of strategic analyst and academicians that what kind of business /product strategy is used by JIO? Is it cannibalization? Or reverse pricing? Loss leader strategy or they are re-establishing some old strategy in a new way!

This paper tries to analyze the strategy used by Jio for grabbing such a huge market share in the first attempt. It is interesting to see a how a company re-introduced a forsaken theory. This paper talks about the strategy of JIO at operational, organizational and emotional level.

Key words : JIO, sprouting strategy, telecom industry

INTRODUCTION

India is currently the world's 2nd largest telecommunications market and has registered strong growth in the past decade and a half. The Indian mobile economy is growing rapidly and will contribute substantially to India's GDP. The Indian telecom industry is highly competitive as it oligopoly. The liberal and reformist policies of the Government of India have been instrumental along with strong consumer demand in the rapid growth in the Indian telecom sector. The government has enabled easy market access to telecom equipment and a fair and proactive regulatory framework that has ensured availability of telecom services to the consumer at affordable prices. The deregulation of Foreign Direct Investment (FDI) norms has made the sector one of the fastest-growing and a top five employment opportunity generator in the country.

The employment opportunities are expected to be created due to a combination of government's efforts to increase penetration in rural areas and the rapid increase in Smartphone sales and rising internet usage.

International Data Corporation (IDC) predicts India to overtake the US as the second-largest Smartphone market globally by 2017 and to maintain high growth rate over the next few years as people switch to Smartphone and gradually upgrade to 4G.

In June 2010, Reliance Industries (RIL) bought a 96% stake in Infotel Broadband Services Limited (IBSL) for Rs. 4,800cr. Although unlisted, IBSL was the only firm to win broadband spectrum in all 22 zones in India in the 4G auction that took place earlier that year. Later continuing as RIL's telecom subsidiary, Infotel Broadband Services Limited was renamed as Reliance Jio Infocomm Limited (RJIL) in January 2013.



Source- Business today, Jan 2017

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As per the global reports –

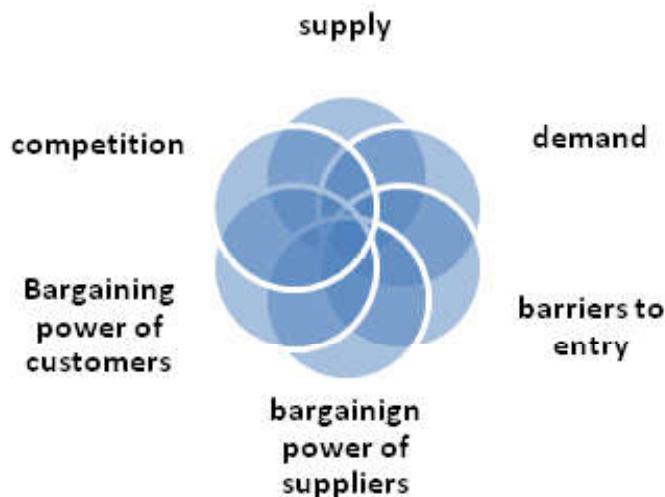
India's population is 129 crore. But one may be surprised by knowing the fact that in India there are 114 crore mobiles which mean 90 percent of Indian population is having a mobile. Irrespective of G. Though China is the most populated country in the world even though India is far ahead in mobile consumers.

Zaraq Zahoor (2015), An overview of Indian telecom sector, mentioned that Indian telecom market is facing challenges of High capital investments, Declining average revenue per user, lack of Telecom Infrastructure and a wide variety of choices available to customers both in fixed as well as mobile telephony has resulted in increased bargaining power for the customers. It makes the market highly competitive.

| Country | Population | Mobile consumers | Internet consumers | Number of FB users |
|------------|---------------|------------------|--------------------|--------------------|
| India | 1,295,291,543 | 1,149,740,000 | 462,124,989 | 157,000,000 |
| China | 1,364,270,000 | 1,060,000,000 | 721,434,547 | |
| America | 327,577,529 | 317,874,628 | 286,942,362 | 201,000,000 |
| Japan | 127,300,000 | 146,649,600 | 115,111,595 | D. N. A. |
| Pakistan | 180,854,781 | 133,283,043 | D. N. A. | D. N. A. |
| Bangladesh | 157,497,000 | 131,376,000 | D. N. A. | D. N. A. |
| Nigeria | 177,155,754 | 167,371,945 | 97,210,000 | 88,000,000 |

Source : Dainik Bhaskar, 21 Feb. 2017, Delhi edition.

Five forces model of Indian telecom industry :



- Competition is expected to increase when Reliance Jio Infocomm (RJio) enters the industry in 2016. Reduced tariffs have hurt all incumbent operators.
- A wide variety of choices available to customers both in fixed as well as mobile telephony has resulted in increased bargaining power for the customers.

Literature Review-

Babita Jha & Priti Bakshi, (2017) strategic analysis of the prospective mergers in the telecom sector in India, mentioned that forthcoming mergers of giant players in telecommunication are due to complex price structure and Jio effects. Launching of Jio created stress on other existing players to opt for a huge price cut for their survival. The mergers are the only way to economies to scale.

Rahul Venkatram & Xue Zhu (2012), An analysis of Factors Influencing the Telecommunication Industry Growth -A case study of China and India, find that number of subscribers, technology Innovation, and government regulation is the top 3 factors in influencing the revenue of the telecom industries. The Indian government is focusing on the reach of this industry to rural and remote areas within the country to help improve the connectivity and basic infrastructure.

Tahsina Khan, (2013), STP strategy for a new product launch- a work in progress (2013), revealed in her paper that if a new product is launched with a perfect brand association it works better. Because a brand knows your choices and what makes you feel good. It is all done with perceptual mapping. Some companies introduce entirely new products and due to the right marketing mix, they became successful brands.

IBM Institute for Business value (2006) mentioned in their report titled the perfect product launch –innovation drives growth in the consumer product industry, the collaboration with customer plays most important role in a new product launch irrespective of the type of product. The concepts, specifications, sometimes just a new design or new material, software or a little variety just create lure in the mind of the customer. But networking with the customer is the key to success.

Sarah Rose, (2010) All the tea in China: how England stole the world's favorite drink and changed history,

mentioned in her book that originally tea was produced in China but British took it to India as tea industry is a labor intensive industry and in India labor was readily available due to colonization. In her book she mentioned that Indians were not used to tea, so British started giving it for free till the Indian become addicted to it. Later they started charging for it. Till date Tea is a prime drink for Indians. Tea replaced almost all of the indigenous drinks.

Research Methodology for this paper

- **Research Design:** explanatory descriptive research design method
- **Population-** 10
- **Sample size -** 1
- **Type of industry-** oligopoly, telecommunication
- **Sources of Data:** secondary data (magazines & internet)
- **Research Problem:** use of 'cannibalization strategy' & 'loss leader strategy' to enter the market which is highly risky or not?.

(Market cannibalization is the practice of slashing the price of a product or introducing a new product into a market of established product categories. If a company is practicing market cannibalization, it is seen to be eating its own market and in so doing, hoping to get a bigger share of it.)

Why Jio as case?-

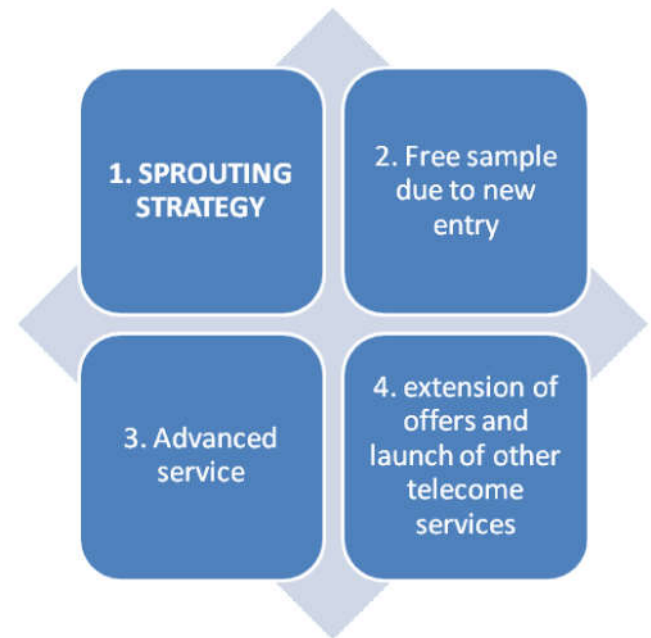
Jio introduced itself as a disruptor. The whole market is scattered after the introduction of Jio. This prompted us to do an evaluative study about the survival of Jio. It was very interesting to see a company which was just introduced to Indian oligopolistic telecom market and challenged the established market leader just in a month! Infact forced other to change their strategy.

What is Reliance's strategy behind this launch?

Reliance moved very strategically in the launch of JIO. It scattered the whole telecom industry completely as the version of service and product was much advanced and free too. No doubt initially it was for a limited period of time but it hit the market very hard. Only in 3 months reliance, JIO gets a heavy subscription. Psychologically, it takes

21 days to change a habit, reliance understood it well and kept the offer not for 3 weeks but for 3 months. Long queues were witnessing the success of the strategy.

The moment reliance entered in the telecom market there were already 10 players in the Market.



Penetration with sprouting strategy.

1. **Is it sprouting strategy?? Sprout is basically increased in size by natural process. But there is a high nutrition value of it. It causes to grow. Make the people addicted to a product or service anyhow. Similarly, the tele services are no more new to the Indian market but 4 G was! People will never pay a high amount for an advance service. The other aspect of Jio Telecom Ltd was that it already spent 12000 crore rupees on fiber and cable network. So the fixed cost was already done now the question. This strategy is a combination of Blue Ocean, cannibalization and reverses pricing strategies.**
2. **The entry was taken through free samples like Britishers done with tea. first, give free samples and then charge. It was based on a simple calculation.**

FREE ADDICTION CHARGE

It was re-launching of same telecom services. The basic core product was same but they need ground to launch 4G services. Means added nutrition value!

3. **A country like India where people purchase data plan as per their pocket. Indians were working on 2G and 3G (only BSNL, Idea & Vodafone) services. Initially, reliance joined hands with BSNL for landline services sharing. But they had been failed in getting profit out it. Similarly, they come with free roaming and free call to any mobile offer.**
4. **So there was a need to introduce an advanced service if they want to survive in the market. Being a new entrant it will take a lot of time to capture market but this free sample strategy tempted people to come and join JIO.**

In June 2015, Jio announced that it will start its operations all over the country by the end of 2015. However, 4 months later in October 2015, the company's spokesmen sent out a press release stating that the launch was postponed to the first quarter of the financial year 2016-2017. The services were first beta-launched to JIO's partners and employees on 27 December 2015 on the eve of 83rd birth anniversary of late Dhirubhai Ambani, founder of Reliance Industries, and later services were commercially launched on 5 September 2016



β launch

The 4G services were launched internally to JIO's partners, its staff, and their families on 27 December 2015. Shahrukh Khan, A R Rahman, Ranbir Kapoor and Jawed Jaffrey, and Rajkumar Hirani were the celebrities for this launch.

Commercial launch

The company commercially launched its services on 5 September 2016. Within the first month of commercial operations; JIO announced that it had acquired 16 million subscribers. This is the fastest ramp-up by any mobile network operator anywhere in the world. Reliance JIO crossed 50 million subscriber marks in 83 days while Airtel reached the same milestone of notching 50 million subscribers in 12 years, Vodafone and Idea took 13 years each.

Emotional scenes behind JIO launch:

- To fulfill the unfulfilled dream of late Dhirubhai Ambani to provide cheapest communication service in India. (founder of Reliance Industries)
- To launch Mr. Akash Ambani in the family Business, the duo of twins were head of this project
- To launch Isha Ambani as a business woman.
- Mukesh Ambani acknowledges the universal truth – globally consumer pays for either calls and texts or data they don't pay for both. This universal truth helps establish a new industry norm in Reliance policies.

Controversies with JIO

In June 2015, Jio announced that it will start its operations all over the country by the end of 2015. However, 4 months later in October 2015, the company's spokesmen sent out a press release stating that the launch was postponed to the first quarter of the financial year 2016-2017.

TRAI summoned JIO and telecom operators like Bharti Airtel, Vodafone, and Idea Cellular to meet and discuss an issue regarding interconnection between the operators

due to call dropping the issue. Jio blamed Airtel for their call dropping. However, on 12 September 2016, Idea Cellular agreed to allow JIO to use 196 of its interconnection access points.

Impact of JIO on other telecom companies-

20th Sep. 2016, the birth anniversary of Late Dhiru Bhai Ambani, 42nd AGM of Reliance industries, an announcement was made. Just with the announcement of Jio, some companies of Indian telecom market and its shares fall immediately as people were standing in the queue for getting a free sim of Jio. Mukesh Ambani connected the word Jio with Indian prospect. Jio means to live your life. That's why the free 4G phone given with Jio sim was named as Lyf.

After 45 minutes speech by Mukesh Ambani Bharti, Airtel, Idea and Tata Telecom met with losses of 11,000 crore

rupees. A big bearish trend raised in shares of Bharti and other companies. Immediately the market cap of Airtel, Idea slashed down. The total reduction in Airtel and idea market cap was 11,238 crore. Airtel met with a loss of 8625 crore and idea cellular 2613 crore. By 1 Pm same day Bharti Airtel 6.28%, idea cellular 8.34%, reliance communication 2.18% was the record of slashes.

| Company | Starting price | 1 pm (price) | changes |
|------------------------|----------------|--------------|---------|
| Bharti Airtel | 331 | 310.20 | -6.28% |
| Idea cellular | 93.50 | 85.70 | -8.34% |
| Tata Tele services | 6.49 | 6.22 | -2.35% |
| Tata communications | 526 | 514.25 | -2.18% |
| Reliance communication | 55.10 | 51.65 | -4.17% |

Source – BSE, 1 sep., 2016, 4.59 pm

Due to bear trend in telecom companies, the SENSEX dropped by 28.69 points and NIFTY was slashed down by 11.55 points. It was simply the effect of Jio which did not allow other companies to be alive any more.

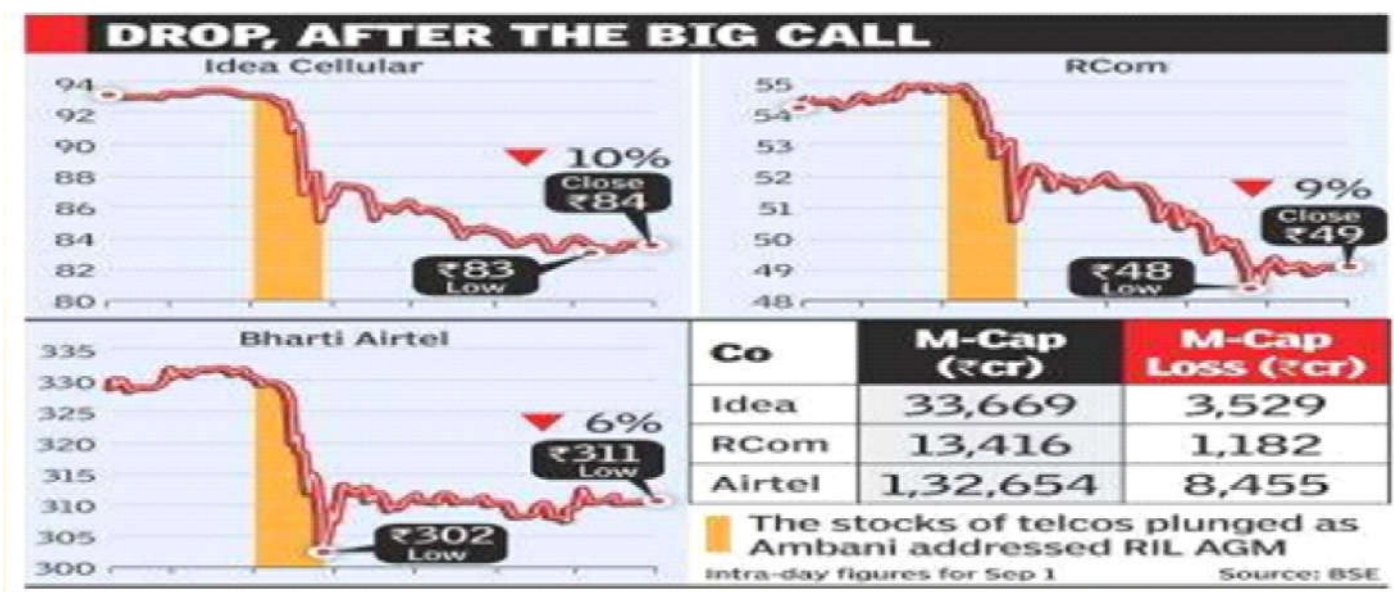
Impact over Vodafone: Vodafone Group created a self funded Aditya Birla Group to Indian joint venture with equal rights to take on the competitive threat posed by Reliance JIO Infocomm. This is not an exit. This is about creating a stronger asset, create the No. 1 telecom in the country, build the largest network in India and build the best management team through a combination of the two management teams, it’s a challenge to other telecom companies.

A Vodafone-Idea combination would have about 390 million users, exceeding current market leader Airtel 266 million. Competition with JIO, and to some extent, demonetization, dragged Vodafone India’s service revenue down 1.9 per cent to Rs.10556 crore in the three months ended December from a year earlier. Vodafone has \$8 billion of net debt in the India business.

Impact over Airtel: Bharti Airtel reported a 50% drop in profit in December & that is why the unlimited offers of JIO and its boosting trend have made Airtel to rethink about its tariffs. And to step with this intensifying volume of rivalry and drive users. Bharti Airtel launched some new tariffs for 4G data. Out of such moves, recently Airtel has announced that it is offering 10GB of 4G data for Rs.259 which is quite nominal.

Source- business today, jan., 2017

Impact over BSNL: State-run telecom BSNL has slashed 3G mobile internet rates by about three-fourths, bringing down the cost of per GB data to as low as Rs 36 under a special pack. The move could be aimed at countering threat from Reliance JIO. Bharat Sanchar Nigam Limited (BSNL) has decided to offer up to 4 times extra data on existing data STVs (special tariff vouchers) available in the market. BSNL continues to dominate the broadband market in fixed line services segment with 9.95 million customers and ranks fifth in mobile broadband space with 20.39 million subscribers.



Telecom war Situations Before & After JIO factor-

Before: before JIO, everybody was fed up of paying a huge amount on data packs as well as main balance. Telecom operators were charging huge amounts to their users such as usually all the telecoms were offering 1 GB 3G internet pack at around 248rs which was out of range from a common man. Prices of data packs were skyrocketing and people were fed up of such situations.

Before reliance JIO's launch, all the incumbents were on similar plans and prices of data packs were increasing day by day at rapid speed. All the telecom operators were following the same way of increasing data packs prices.

People from the backward or rural area were not using the internet that much but voice calls were the main part of their mobile usage. A voice call rates were also increasing at rapid speed and voice calls bill was being a headache for non-internet users. Usually, a common man had to keep extra money as savings from his salary to spend on internet and voice call bills. Internet and voice call usage bill of a common was around 1k per month.

Crucial part was that networks were passive and they had nothing new to offer and they were just offering data packs at the normal price which was so costly. Roaming was also a big issue for normal people who were staying out of state they had to bear lots of voice calls charges over roaming. So at overall before JIO's launch, telecom operators were dominating customers.

voice calls are completely free one can make unlimited voice calls without any issue.

Since 4G is an all IP network, JIO will focus on VoLTE, the only operator in India to introduce HD Voice and Video and seamless transition between them. JIO is also not back in the field of innovation, It has made sure that our existing on VoLTE 4G devices are able to work with JIO's network via an App called JIO Join that allows you to make calls from non-native VoLTE phones (even from any Wi-Fi enabled phone connected to JIO Wi-Fi device/Hotspot). Even if you phone support Voice over Wi-Fi, JIO will allow you to use that at predefined JIO public hotspots. This not only increases the network capacity but allows to extend JIO 4G to personal spaces using Wi-Fi. JIO is also roamed free which adds more value to its users who are staying in other states. JIO has the only network conceived and born as a mobile video network from the ground up.

As per reports of TRAI after launch of JIO, there is a decrease of 25% in dongle and other net connections as people are connecting their PC's to 4G through Wi-Fi and mobiles through hot spots

Where Jio stands?-

Indian telecom industry market share holding before and after Jio (in %)-

| Company | Bharti | Vodafone | Idea | Tata Tele | BSNL | Aircel | RIL | Others | JIO |
|-------------------------------|--------|----------|------|-----------|------|--------|-----|--------|------------|
| Adjusted revenue | 33 | 23 | 20 | 7 | 6 | 5 | 3 | 3 | *** |
| Active subscriber base | 26 | 20 | 20 | 5 | 7 | 8 | 7 | 6 | *** |
| Spectrum break up post merger | 21 | 27 | *** | 3 | 6 | 6 | 7 | 1 | 17 |

Source : business India, Feb. 2017

After: JIO'S launch has changed a lot in the telecom world. They had entered in a market which is already flooded with lots of service provider, 40% people are using 2 sims (2 service provider), and Bharti, Vodafone, and Idea are few of the biggest business house in the world. There is an incumbent fighting to give better offers between telecom operators which have reduced data plans prices. In JIO data is available as cheap as 50/GB. Before JIO voice calls were a big part of billing but now

Reliance JIO Infocomm Limited, doing business as **JIO**, is an (LTE mobile network operator in India. It is a wholly owned subsidiary of Reliance Industries headquartered in Mumbai, that provides wireless 4G (LTE service network (without 2G/3G based services) and is the only 'VoLTE-only' (Voice over LTE) operator in the country which lacks legacy network support of 2G and 3G, with coverage across all 22 telecom circles in India.

SWOT of Jio-

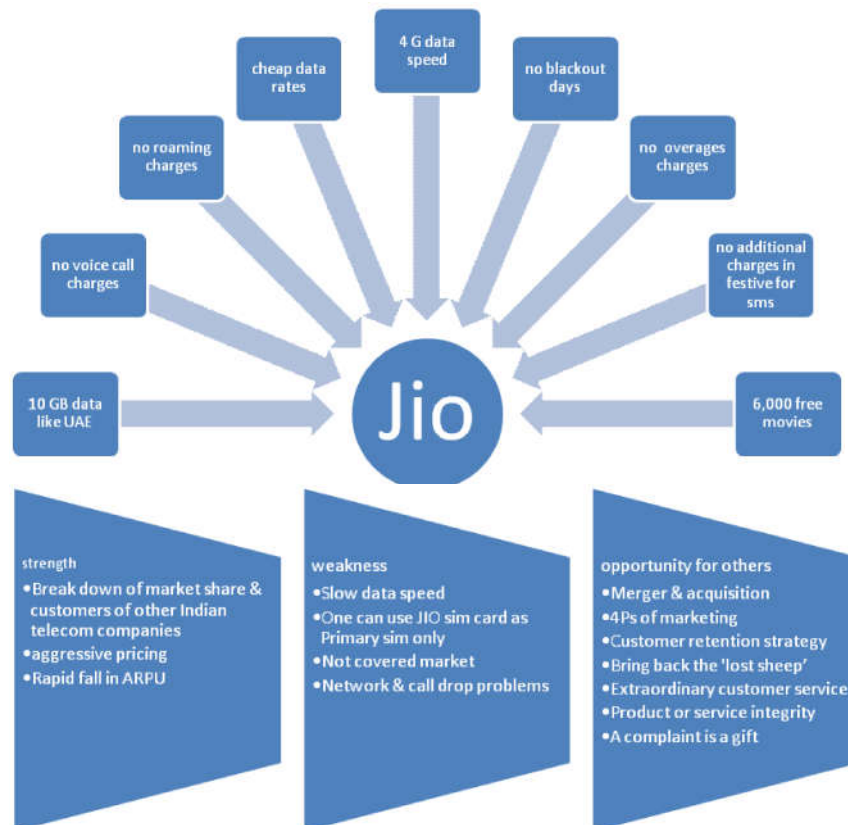
Conclusion

Because of JIO, the other Indian telecom companies are in trouble & that is why may get forced to think about mergers or acquisition (Vodafone & Idea) & taking the exit from Indian market (Telenor).

There is not enough room for more than 3 players in the telecom sector. Once the idea & Vodafone merger is through, the combined entity will become no.1, Bharti

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Source- author's conceptualization

Airtel no.2 and Reliance JIO will be at no.3. so a new type of market structure may arise – Triopoly. The moment government is planning to keep everything digital, from payment to document, at the same time we cannot expect an industry to bleed. Competition is always good for the customer. Indian automobile is a leading example of it. The present strategy of Jio does not leave enough market shares for the other players to survive. Not to forget that Government owned BSNL & MTNL which has subscriber market share of 8%. Every Telecom Company needs to reinvent itself to survive. The governments need to ensure that industry remains at a healthy level with healthy competition. Otherwise sooner or later Jio will become a monopoly.

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"Empirical Analysis of Banks Included in Bankex and Measuring Value of Shareholders"

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Abstract

The main aim of this paper is measuring value of shareholders in banking industry. There are basically two main reasons behind choosing this paper. First, the banking industry is a very important part of Indian financial system and this paper gives us the opportunity to analyze the banking industry in detail and to get the knowledge of different aspects of the banking industry. Secondly taking investment decisions is a crucial characteristic of a financial manager. Investment decisions also include investment in the stock market. This paper intended to analyze Indian economy and to find out its impact on banking industry, To study banking industry with respect to different parameters such as structure of banking industry, government regulations, emerging patterns etc., To scrutinize fundamentally strong banks listed on BSE, To carry out qualitative and quantitative analysis of selected banks and To apply the stock valuation models such as CAPM, MV/BV approach to find out the best bank's stock to invest.

Key words: Bankex, Shareholders, CAPM, Beta, ANOVA

Introduction

Banks are the most significant players in the Indian financial market. They are the biggest purveyors of credit, and they also attract most of the savings from the population conquered by public sector, the banking industry has so far acted as a well-organized partner in the growth and the development of the country. They act as critical channels of the government in its efforts to ensure equitable economic development.

In view of peculiar nature of stock exchange operations most of the investors feel insecure in managing their investment on the stock market because it is difficult for an individual to identify companies that have growth prospects conducive for investment. This is further complicated by the volatile nature of the markets, which demands constant reshuffling of portfolios to capitalize on the growth opportunities. The development and the increasing progress that is being experienced in the Information and Communication Technology have brought about a lot of changes in almost all facets of life.

Review of Literature

(Rangan N. and Grabowski, 1988) [12] Use data envelopment analysis to analyze technical efficiency in US banking into pure technical and scale efficiency. (Aly H., and Rangan 1990) [1] extend this analysis to contain analysis of allocative efficiency, and (Field, 1990) [8], (Dark, 1992) [6], (Chu-Meilu, 2001) [5], (Tser-Yieth Chen, and Tasi Yeh, 1998) [14], and (Leigh

D., and Howcroft, B., 2002) [11] have conducted some studies into banking efficiency.

(Hempel G. Coleman, 1986). [9] Concluded there is a generally accepted relationship between risk and return, that is, the higher the risk the higher the expected return. The high level competition in the national and international banking markets, the switch towards monetary unions and the new technological innovations proclaimer major changes in banking environment, and challenge all banks to make timely provisions in order to enter into new competitive financial environment.

(Jon R. Presely, 1992) [10] Advocated from his study that there is a need for greater risk management in relation to more effective portfolio management, and this requires a greater emphasis upon the nature of risk and return in bank asset structure, and greater diversification of assets in order to spread and reduce the bank's risks.

(Avkiran, 1995) [3] Studied the financial statements of corporations in Oman that published commonly contain a variety of financial ratios designed to give an indication of the corporation's performance. As it known in accounting and financial analysis, there are some limitations attendant with use of some financial ratios. In this research, however, ROA ratio with interest income size is used to measure the performance of Omani commercial banks. Asset management, operational efficiency and the bank size are used together to investigate the relations among them and the financial performance. Simply he stated, much of the current bank performance

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literature describes the objective of financial establishments as that of earning acceptable yields and minimizing the risks taken to earn this return. (Spathis, and Doumpos, 2002) [13] examined the effectiveness of Greek banks based on their assets size. They used in their study a multi criteria methodology to classify Greek banks according to the return and operation factors, and to show the differences of the bank's profitability and efficiency between small and large banks.

(Chien Ho, and Song Zhu, 2004)[4] Showed in their study that most previous studies concerning Company performance evaluation focus merely on operational efficiency and operational effectiveness which might directly influence the survival of a company. By using an advanced two-stage data envelopment analysis model in their study, the empirical result of this study is that a company with better efficiency does not always mean that it has better effectiveness. A paper by (Elizabeth Duncan, and Elliott, 2004)[7] showed that all financial performance measures as interest margin, return on assets, and capital adequacy are positively correlated with customer service quality scores.

(Arzu Tektas, and Gunay, 2005)[2] Discussed the asset and liability administration in financial crisis. They claimed that a proficient asset-liability management requires maximizing bank's profit as well as monitoring and lowering various risks, and their study showed it clearly how shifts in market perceptions can build trouble during crisis.

Research Methodology

Research is carried out with two Hypothesis, Stock Market Returns and performance of the banks would be linearly correlated or not and comparison of expected return and actual return of banks are similar or not.

Analysis of data

18 banks are compared using key indicators. Then selected bank analyzed by using following ratio and statistical tools.

1. RATIOS:

- o Earning per share (EPS):
- o PAT/ total profit
- o Market-To-Book Value Approach
- o % of gross NPA

ANOVA table

Statistical tools and model

1. Application of Capital Asset Pricing Model

$$E(RP) = R_f + B_p(E(R_m) - R_f)$$

Where,
 $E(R_p)$ = Expected return of the portfolio
 R_f = Risk free rate of return
 B_p = Beta portfolio i.e. market sensitivity index
 $E(R_m)$ = Expected return on market portfolio
 $(E(R_m) - R_f)$ = Market risk premium
2. Comparison of expected return with actual and application of T-TEST.

Empirical analysis

Analysis is carried out from different key indicators and charts of 30 days return on Sensex. And further data is analyzed using ratios and test.

Above table shows that Earning ratio, price to book value, gross NPA and P/E ratio. P/E ratio indicates level of risk and as mentioned in the table Kotak Mahindra Bank Ltd. Have highest P/E ratio against which earning is 14.45% whereas P/E ratio of HDFC Bank is around 28 against which return is 14.63%.

Inference of ANOVA

For application of ANOVA test, Net profit of all the banks are taken as dependent variable as profit of banks depends on different factors. Capital adequacy ratio, percentage of gross NPA, price to book value and Price-gearing ratio is taken as independent factors.

As per CAPM model most preferred banks are Indusind Bank Ltd., Kotak Mahindra Bank Ltd and Yes Bank Ltd. as it has highest expected return. To check variability between actual return and expected return as per CAPM, T-test has been applied.

Ratio analysis and ANOVA test

| Company Name | DEPENDENT VARIABLE | INDEPENDENT VARIABLES | | | |
|---------------------------|--------------------|------------------------------|------------------------------|-------|------|
| | PAT / Total income | Total capital adequacy ratio | % of Gross NPA's to advances | P/E | P/B |
| Allahabad Bank | 12.2 | 13.62 | 1.69 | 7.04 | 1.39 |
| Axis Bank Ltd. | 16.14 | 15.8 | 1.13 | 17.9 | 3.04 |
| Bank Of Baroda | 15.68 | 12.84 | 1.36 | 8.96 | 1.87 |
| Bank Of India | 8.5 | 12.63 | 2.85 | 9.88 | 1.62 |
| Canara Bank | 13.98 | 13.43 | 1.52 | 7.48 | 1.54 |
| Federal Bank Ltd. | 11.05 | 17.27 | 2.97 | 12.39 | 1.29 |
| H D F C Bank Ltd. | 14.63 | 17.4 | 1.43 | 28.83 | 4.32 |
| I C I C I Bank Ltd. | 12.13 | 19.41 | 5.06 | 26.7 | 2.27 |
| I D B I Bank Ltd. | 5.87 | 11.31 | 1.53 | 11.67 | 1.1 |
| Indian Overseas Bank | 6.21 | 14.26 | 4.47 | 11.2 | 1.15 |
| Indusind Bank Ltd. | 10.74 | 15.33 | 1.23 | 23.39 | 3.14 |
| Karnataka Bank Ltd. | 7.1 | 11.85 | 3.73 | 12.65 | 0.85 |
| Kotak Mahindra Bank Ltd. | 14.45 | 18.35 | 3.62 | 43.25 | 5.15 |
| Oriental Bank Of Commerce | 9.9 | 10.83 | 1.74 | 6.3 | 1.1 |
| Punjab National Bank | 15.6 | 12.97 | 1.71 | 8.24 | 1.85 |
| State Bank Of India | 11.5 | 0 | 0 | 18.57 | 2.32 |
| Union Bank Of India | 13.58 | 12.51 | 2.2 | 8.18 | 1.65 |
| Yes Bank Ltd. | 16.22 | 20.61 | 0.27 | 15.62 | 2.86 |

Model Summary

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|---------|----------|-------------------|----------------------------|
| 1 | .801(a) | .641 | .531 | 2.32099 |

a Predictors: (Constant), CAR, % OF GROSS NPA , P/B, P/E

ANOVA(b)

| Model | | Sum of Squares | df | Mean Square | F | Sig. |
|-------|------------|----------------|----|-------------|-------|---------|
| 1 | Regression | 125.309 | 4 | 31.327 | 5.815 | .007(a) |
| | Residual | 70.031 | 13 | 5.387 | | |
| | Total | 195.340 | 17 | | | |

a Predictors: (Constant), CAR, % OF GROSS NPA , P/B, P/E

b Dependent Variable: net profit

Coefficients (a)

| Model | | Unstandardized Coefficients | | Standardized Coefficients | T | Sig. |
|-------|----------------|-----------------------------|------------|---------------------------|--------|------------|
| | | B | Std. Error | Beta | B | Std. Error |
| 1 | (Constant) | 7.258 | 2.021 | | 3.592 | .003 |
| | CAR | .134 | .168 | .178 | .799 | .439 |
| | % OF GROSS NPA | -.101 | .726 | -.041 | -.139 | .892 |
| | P/B | -.397 | .193 | -1.136 | -2.053 | .061 |
| | P/E | 4.298 | 1.697 | 1.485 | 2.533 | .025 |

CALCULATION OF CAPITAL ASSETS PRICING MODEL (CAPM)

| CAPITAL ASSETS PRICING MODEL (CAPM) | | | | | |
|-------------------------------------|-----------|---------------|------|-------|-------------------|
| Company Name | RISK FREE | MARKET RETURN | Beta | RM-RF | RF + (RM-RF)*BETA |
| Allahabad Bank | 7.64 | 22.9 | 1.06 | 15.26 | 24.274 |
| Axis Bank Ltd. | 7.64 | 22.9 | 1.14 | 15.26 | 26.106 |
| Bank Of Baroda | 7.64 | 22.9 | 1.1 | 15.26 | 25.19 |
| Bank Of India | 7.64 | 22.9 | 1.32 | 15.26 | 30.228 |
| Canara Bank | 7.64 | 22.9 | 1.1 | 15.26 | 25.19 |
| Federal Bank Ltd. | 7.64 | 22.9 | 0.87 | 15.26 | 19.923 |
| H D F C Bank Ltd. | 7.64 | 22.9 | 0.92 | 15.26 | 21.068 |
| I C I C I Bank Ltd. | 7.64 | 22.9 | 1.38 | 15.26 | 31.602 |
| I D B I Bank Ltd. | 7.64 | 22.9 | 1.39 | 15.26 | 31.831 |
| Indian Overseas Bank | 7.64 | 22.9 | 1.18 | 15.26 | 27.022 |
| Indusind Bank Ltd. | 7.64 | 22.9 | 1.51 | 15.26 | 34.579 |
| Karnataka Bank Ltd. | 7.64 | 22.9 | 1.08 | 15.26 | 24.732 |
| Kotak Mahindra Bank Ltd. | 7.64 | 22.9 | 1.48 | 15.26 | 33.892 |
| Oriental Bank Of Commerce | 7.64 | 22.9 | 1.1 | 15.26 | 25.19 |
| Punjab National Bank | 7.64 | 22.9 | 1 | 15.26 | 22.9 |
| State Bank Of India | 7.64 | 22.9 | 1.08 | 15.26 | 24.732 |
| Union Bank Of India | 7.64 | 22.9 | 1.03 | 15.26 | 23.587 |
| Yes Bank Ltd. | 7.64 | 22.9 | 1.44 | 15.26 | 32.976 |

COMPARISON OF ACTUAL RETURN AND EXPECTED RETURN AND T-TEST

| Company Name | 365 days Returns over a Period | EXPECTED RETURN (CAPM) |
|---------------------------|--------------------------------|------------------------|
| Allahabad Bank | 58.5 | 24.274 |
| Axis Bank Ltd. | 19.48 | 26.106 |
| Bank Of Baroda | 51.28 | 25.19 |
| Bank Of India | 48.08 | 30.228 |
| Canara Bank | 53.9 | 25.19 |
| Federal Bank Ltd. | 55 | 19.923 |
| H D F C Bank Ltd. | 18.18 | 21.068 |
| I C I C I Bank Ltd. | 19 | 31.602 |
| I D B I Bank Ltd. | 26.33 | 31.831 |
| Indian Overseas Bank | 74.6 | 27.022 |
| Indusind Bank Ltd. | 49.41 | 34.579 |
| Karnataka Bank Ltd. | 2.94 | 24.732 |
| Kotak Mahindra Bank Ltd. | 22.59 | 33.892 |
| Oriental Bank Of Commerce | 25.09 | 25.19 |
| Punjab National Bank | 15.16 | 22.9 |
| State Bank Of India | 33.31 | 24.732 |
| Union Bank Of India | 17.99 | 23.587 |
| Yes Bank Ltd. | 24.48 | 32.976 |

T-TEST ON 365 DAYS RETURNS OVER A PERIOD AND EXPECTED RETURN (CAPM)

One-Sample Statistics

| | N | Mean | Std. Deviation | Std. Error Mean |
|--------------------------------|----|---------|----------------|-----------------|
| 365 days Returns over a Period | 18 | 34.1844 | 19.46479 | 4.58789 |
| CAPM | 18 | 26.9457 | 4.45642 | 1.05039 |

ONE-SAMPLE TEST

| | Test Value = 0 | | | | | |
|--------------------------------|----------------|-------|-----------------|-----------------|---|---------|
| | t | Df | Sig. (2-tailed) | Mean Difference | 95% Confidence Interval of the Difference | |
| | Lower | Upper | Lower | Upper | Lower | Upper |
| 365 days Returns over a Period | 7.451 | 17 | .000 | 34.18444 | 24.5048 | 43.8641 |
| CAPM | 25.653 | 17 | .000 | 26.94567 | 24.7295 | 29.1618 |

Conclusion

Technical analysis has been done to examine the movement of stock and key indicators like beta, but what comes out at the end is that there are still so many unnoticed factors which affect the share prices. This list is not exhaustive; still there is so much which needs to be studied.

From this study conclusion can be drawn that the Indian economy is standing on the strong foothold. This can be attributed to lower interest rate, lower inflation rate, high forex reserves and favorable monetary and fiscal policy.

This study also highlights the outlook for the banking industry. The passing of the securitization bill has accelerated the growth for the banking industry. Even the monetary policy has also been in favor of banking industry. Lowering interest rates also affects the profitability of the banks. The banking industry is now moving towards technology. Overall, the outlook for the banking industry is also good.

From the last part of the study we can find that ICICI bank, SBI, HDFC bank and Corporation bank have strong fundamentals. From the application of different valuation models we can conclude that HDFC bank is stronger than the other three banks. So one can buy HDFC's share. However, the investment decision for an investor depends on its risk nature.

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The
tree in
the Crest is
the Historic Mango
tree where the founders
of this seat of learning
started their activity and the
rising sun behind the tree represents
the light of learning that is being
spread by this Rural Centre of Education.
The Sanskrit dictum in the form of a
crest presents the ideal viz. "Character
and conduct are the fruits of
learning" - “शीलवृत्तफलं श्रुतम्” - that
is set before it by the
great personality after
whom this place
and this Uni-
versity are
named.