A STUDY OF THE STOCK SENSITIVITY AND FUNDAMENTAL STRENGTH OF REFINERY SECTOR: A PRE AND POST RECESSION ANALYSIS

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Oil refinery sector in India is growing at a faster pace. The Investors are keen to invest in the stocks of refinery sector in India stock market. The stock market volatility creates dilemma among investor regarding the selection of appropriate stock. The Recession in the year 2007-08 has changed the entire gamut of stock market across the globe. The stocks which were sensitive to index before recession has changed manifold. Thus, the investor should know the sensitivity of the stock in which is investing. The present study is an attempt to evaluate the effect of recession on stock sensitivity (beta) and on stock fundamental strength (alpha) of the companies related to refinery sector, pre and post recession. To know the suitability of stock, an investor has to analyze the fundamental strength and stock sensitivity of any company's stock. Beta, Alpha, Capital Asset Pricing Model (CAPM) and Paired t-test were used as tools to analyze the fundamental strength and stock sensitivity of stocks. The study reveals that there is no significant effect of recession on stock sensitivity (beta) and fundamental strength (alpha) and stocks returns (CAPM Model) of refinery sector. The results have been discussed with reported studies.

INTRODUCTION

'Oil Refining Industry in India' is a complete source of information on Indian crude oil refining industry. It provides refinery level information relating to existing and planned (new build) refineries such as insights and forecasts of refinery capacities, refined petroleum products production and consumption, refinery complexity factor and comparison against peer group countries in the respective region. Recession means significant decline in economic activity spreading across the country lasting more than a few months, normally visible in real gross domestic product (GDP) growth, real personal income, employment, industrial production, and whole sale-retail sales. With the recession in the year 2008, the growth of Indian economy was slowed and financial markets experienced a downturn. Indian economy tackled crisis smoothly in the year 2008 crisis but, in year 2012 the country was not even ready for a crisis of much lesser magnitude. Weak finances, persistently high inflation and policy inertia have considerably weakened the Indian economy.

Recession had significantly affected Indian oil refinery companies. Many traders are trading in the market on the basis of the stock relativity to its index. They consider Beta (â) as an important tool for taking their trading decision. Beta (â) represents the stock's sensitivity index. The value Beta (â) indicates the relativeness of a particular stock with respect to its index. This further means that if the value of Beta (â) of any company is 1.5, it means that one percent increase in the index will lead to one and half percent increase in the price of that stock and vice versa. It assesses the risk involved with an individual stock and certainly plays a significant role for investors. Some investors may be willing to invest in a stock with a large Beta (â) with hopes of a large payoff, understanding the larger risk involved with such a stock. Other investors may be more inclined to invest in a safer stock with a smaller â to put less of their investment at risk, understanding that their potential return will not be as high. In addition to assessing the risk involved with an individual stock, Beta (â) can also be used in valuing a company (McClure, 2004). Determining the value of a company helps in comparing its value to the price of the stock.

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Quite simply, if the calculated value is less than the current stock price, the stock is most likely overpriced and should not be purchased.

Alpha is one of five technical risk ratios; the others are beta, standard deviation, R-squared, and the Sharpe ratio. These are all statistical measurements used in modern portfolio theory (MPT). All the five indicators are intended to help investors to determine the risk-reward profile of any stock. Simply stated, alpha is often considered to represent the value which a portfolio manager adds to or subtracts from a fund's return. Alfa is the intercept of the characteristic regression line and indicates that the stock return is independent of the market return. A positive alpha of 1.0 means the fund has outperformed its benchmark index by 1%. Correspondingly, a similar negative alpha would indicate an underperformance of 1%. According to the portfolio theory, in a well diversified portfolio the average value of alfa of all stocks turns out to be zero. The capital asset pricing model (CAPM) is used to determine a theoretically appropriate required rate of return of an asset, if that asset is to be added to an already well-diversified portfolio, given that asset's non-diversifiable risk. The model takes into account the asset's sensitivity to non-diversifiable risk (also known as systematic risk or market risk), often represented by the quantity beta (â) in the financial industry, as well as the expected return of the market and the expected return of a theoretical risk-free asset. CAPM "suggests that an investor's cost of equity capital is determined by beta with the advent of recession, there is change in the market momentum and dynamism. It is also possible that there is change in the stock sensitivity to its index, thus, traders should check whether there is any impact of recession on the stock sensitivity or not. If it has changed, then a subsequent change in the trading strategy is to be adopted.

REVIEW OF LITERATURE

Recent global financial crisis is a major turmoil event which permeated all over the world irrespective of developed or emerging developing countries. This crisis is quite different from Asian financial crisis in 1997 and is more contagious and deeper than Asian crisis. Probably, it is the largest crisis after great recession of 1930s that has affected both real and financial sectors (Llanto and Badiola, 2010). This crisis originated in United States in second half of 2007 with the spark of subprime mortgage crisis and got worst momentum in the year 2008. The contagion of the crisis in the world was due to technological advancement and globalization. Developing countries also faced negative repercussions of this crisis and experienced adverse impact on their economies via the channel of finance and trade. Net capital inflows from developed countries to developing countries shrunk drastically from the beginning of this crisis. This crisis badly affected FDI, portfolio investment and exports of the developing countries (Iqbal, 2010). Global financial crisis that started from United States after mid 2007 is considered the world's largest crisis after 1930s recession. This crisis also penetrated the world's stock markets and adversely affected it. The role of stock markets is beneficial for providing finance to lacking sectors, helpful to vibrate private sector and sharing risk (Omet 2002). Due to complicated functions of stock exchange, different aspects of it were analyzed in literature on stock exchange by Gittens (2006) and Shen and Shen (2006). Abundant evidence is also available about positive impact of stock market developments on economic growth (Levine and Zervos 1996; Levine, 2002; Nieuwerburgh et al., 2006; Enisan and Olufisayo 2009).

The period from March 2001 to November 2001 was identified by the National Bureau of Economic Research's Business Cycle Dating Committee, as a period of economic recession in the United States (Associated Press, 2003). The decline in business activity, and rising unemployment were not only the result of the recession; the disclosures of corporate scandals also contributed to the downturn (Payne and Wong, 2004). Zuckerman E. and Rao H. (2004) related the market crash of year 2000 to the main features of trading in technology stocks early in the 1990s. Investors and stock traders were not able to explain the implications of the rise and fall of the Internet stock for many years. Ofek and Richardson (2003) pointed out that during that period; the very high volume of trade in stocks indicated a wide gap between the prices and their fundamental values. Demers and Lev (2001) gave two broad reasons for how Internet stocks

reached unjustifiably high prices in the late 1990s and early 2000. Roll (1989) suggested downward revised expectations for the worldwide economic activity. Payne and Daghestani (1998) studied the financial determinants of safety during a period of great optimism, expectations of future growth, and a general feeling among investors that the market could only go up. They concluded on the basis of their analysis, that the firms characterized by safety of investment during this period had in their financial profile a greater level of capital spending, a greater return to total capital, less financial leverage, and surprisingly, less growth potential than a randomly selected group of similar firms. Using EGARCH model, Olowe (2009) studies the response of stock return and its volatility of Nigerian stock market to this recent global financial crisis. The results of the study showed that, in Nigeria stock returns and its volatility were free from the severity of crisis. In contrast, Adamu (2010) studies the Nigerian stock market using conventional statistical analysis i.e. standard deviation and variance analysis and divided the data into pre and post crisis period. This study empirically revealed that during the financial crisis period, volatility in Nigerian stock market increased. Ravichandran and Maloain (2010) found that during recent financial crisis, stock markets of six Gulf countries faced negative pressure but these markets become strengthened during post crisis period.

Few studies have been taken on 'Fundamental Strength (alpha)' and 'Stock Sensitivity (beta)' and 'Stock Returns (CAPM Model)' of Refinery Sector and the effect of Recession and a substantial body of literature but there is a relative dearth of research on issues related to effect of Recession on Refinery Sector.

OBJECTIVES

1. To evaluate the effect of recession on stock sensitivity (beta) of the companies related to refinery sector, pre and post recession.

2. To evaluate the effect of recession on stock fundamental strength (alpha) of companies related to refinery sector, pre and post recession.

3. To evaluate the effect of recession on stocks returns (CAPM Model) related to refinery sector, pre and post recession.

Null Hypotheses:

- H_{01}: There is no significant effect of recession on stock sensitivity (beta) of the companies related to refinery sector, pre and post recession.

- H_{02}: There is no significant effect of recession on stock fundamental strength (alpha) of companies related to refinery sector, pre and post recession.

- H_{03}: There is no significant effect of recession on stocks returns (CAPM Model) related to refinery sector, pre and post recession.

RESEARCH METHODOLOGY

The Study: The study is descriptive in nature and is undertaken to identify the effect of global recession on stock sensitivity index (â), fundamental strength (alpha), and stocks returns (CAPM Model) with special reference to Indian Oil Refinery Sector (Bharat Petroleum Ltd, Indian Oil Ltd, Hindustan Petroleum Corporation Ltd, and Essar Oil).

The Sample: The sample of the study is taken from Nifty and constitute of four Indian Oil Refinery Companies (Bharat Petroleum Ltd, Indian Oil Ltd, Hindustan Petroleum Corporation Ltd, Essar Oil). The sample data is taken from 1st April 2005 to 31st march 2012.

Tools for Data Collection: The stock price of Indian Oil Refinery Companies (Bharat Petroleum Ltd, Indian Oil Ltd, Hindustan Petroleum Corporation Ltd, and Essar Oil) from NSE Nifty were taken from websites like moneycontrol.com and nseindia.com.

Tools for Data Analysis: Alpha, Beta, CAPM Model, and Paired t-test were used to analyze the data. The Data analysis was done using SPSS Software.

RESULTS AND DISCUSSION

1. For ESSAR Oil

Beta is the measure of systematic (market) risk. Beta value of Pre-recession period of Essar Oil Co. was 0.380368 whereas, post-recession period it was 1.303937 which indicates that market dependency has increased in post recession. It can be further depicted that the stock was less

volatile before recession while post-recession has become more volatile. It also revealed that in post-recession period, market movement was in positive direction, Paired t-test over beta of pre and post-recession was applied and the result revealed that the value of t to be 6.852 which was significant at 0.05 level of significant. It further implied that "There was a significant effect of recession on stock sensitivity (beta) of ESSAR Oil Co." **(Table 1-a)** Alpha shows the fundamental strength of the company. Alpha of ESSAR Oil was 0.188577 (pre-recession) and 0.032119 (post-recession), it means that alpha of Essar Oil is reduced. It can be depicted that fundamental strength was same over pre and post- recession there was no effect of recession over company's fundamental strength. As per application of paired t- test over alpha of pre and post- recession, the result revealed that value of t is 0.404 which was not significant at 0.05 level of significant. Which means that null hypothesis was not rejected. It further implied that "There was no significant effect of recession on stock fundamental strength (alpha) of ESSAR Oil Co." **(Table 1-b)** CAPM is a model that describes the relationship between risk and expected return and that is used in the pricing of risky securities. CAPM of Essar Oil of pre-recession was 0.140882 whereas, post- recession it was 0.1037. It revealed that the return has reduced; it also depicted that after recession risk has increased because beta has increased and alpha has decreased and it has effect on CAPM. Result of t-test revealed that CAPM of pre and post recession was 0.120 which was not significant at 0.05 level of significant. Which means that null hypothesis was not rejected. It further implied that "There was no significant effect of recession on stocks returns (CAPM Model) of Essar Oil Company" **(Table 1-c)**

2.   For Hindustan Petroleum Corporation Ltd. (HPCL)

Beta value of Pre-recession period of HPCL Co. was 0.244389 whereas, post-recession period it was 0.479123. It means market dependency has increased in post recession but not so much. This further depicted that the stock was less volatile in pre-recession period. t test over beta of pre and post-recession, value of t was 2.097 which was significant at 0.05 level of significance. Which

means the null hypothesis is rejected. It further implied that "There was a significant effect of recession on stock sensitivity (beta) of HPCL Co." **(Table 2-a)** Alpha of HPCL Co. was 0.049883 (pre-recession) and -0.16517 (post-recession), It revealed that alpha has been reduced over pre to post recession period. It also depicted that the fundamental strength of company was weaken after recession. It revealed that there was also high effect of recession in post-recession period over the stocks of HPCL CO. Result of t-test revealed that value of t was 1.138 which was not significant at 0.05 level of significant. Which means that null hypothesis was not rejected. Further it implied that "There was no significant effect of recession on stock fundamental strength (alpha) of HPCL Co." **(Table 2-b)** CAPM of HPCL CO. was 0.052398 (pre-recession) and -0.10281 (post-recession). It revealed the return it has reduced; it also depicted that after recession risk has increased because beta has increased and alpha has decreased and it has effect on CAPM. Paired t-test over CAPM of pre and post-recession, value of t was 0.978 which was not significant at 0.05 level of significant. Which means that null hypothesis is not rejected. It further implied that "There was no significant effect of recession on stocks returns (CAPM Model) of HPCL Co". **(Table 2-c)**

3.   For IOC (Indian Oil Corporation Ltd.)

Beta value of Pre-recession period of IOC Co. was 0.57808 whereas, post-recession period it was 0.48826. It means market dependency has decreased in post-recession but not so much. Paired t test over beta of pre and post-recession, value of t was 0.628 which was not significant at 0.05 level of significant and hence the null hypothesis is not rejected. It further implied that "There was no significant effect of recession on stock sensitivity (beta) of IOC over refinery sector, pre and post recession". **(Table 3-a)** Alpha of IOC Co. was 0.097604 (pre-recession) and 0.286353 (post-recession), which has Increased hence the fundamental strength of company was strong after recession and there was no effect of recession over the stocks of HPCL CO. Paired t test over alpha of pre and post-recession was applied and the, value of t was 0.750 which was not significant at 0.05 level of significant and hence null hypothesis is not rejected. It implied that "There

was no significant effect of recession on stock fundamental strength (alpha) of IOC". **(Table 3-b)** Alpha of CAPM of IOC Co. was 0.143056 (pre-recession) and 0.152014 (post-recession). Which has increased hence after recession risk has reduced because beta has reduced and alpha has increased and it has effect on CAPM. Paired t test over CAPM of pre and post-recession was applied value of t was 0.053 which was not significant at 0.05 level of significant hence the null hypothesis was not rejected. It also implied that "There was no significant effect of recession on stocks returns (CAPM Model) of IOC Co". **(Table 3-c)**

4. For BPCL (Bharat Petroleum Corporation Ltd.)

Beta value of pre-recession period of BPCL Co. was 0.573545 whereas, post-recession period it was 0.436336. It means market dependency has decreased in post-recession period and the stock was less volatile in post-recession period. As Paired t test over beta of pre and post-recession revealed the t value 1.458 which was significant at 0.05 level of significant. Which means the null hypothesis is not rejected. It further implied that "There was no significant effect of recession on stock sensitivity (beta) of BPCL CO." **(Table 4-a)** Alpha of BPCL Co. was 0.056741 (pre-recession) and 0.088448 (post-recession) and has increased hence the fundamental strength of company was strong after recession and there was no effect of recession over the stocks of BPCL Co. Paired t-test over alpha of pre and post-recession revealed the t value 0.308 which was not significant at 0.05 level of significant. Which means that null hypothesis was not rejected. It further implied that "There was no significant effect of recession on stock fundamental strength (alpha) of BPCL CO." **(Table 4-b)** CAPM of BPCL Co. was 0.117631 (pre-recession) and 0.128194 (post-recession). It highlighted that returns has Increased; it also depicted that after recession risk has reduced because beta has reduced and alpha has increased and it has effect on CAPM. Paired t test over CAPM of pre and post-recession revealed the t value 0.095 which was not significant at 0.05 level of significant. Which means that null hypothesis was not rejected and further implied that "There was no significant effect of recession on stocks returns

(CAPM Model) of BPCL Co." **(Table 4-c)**

5. For Overall Refinery Sector

Paired t test over beta of pre and post recession of overall refinery sector revealed the t value 2.272 which was significant at 0.05 level of significant indicated that the null hypothesis is rejected. It further implied that "There was a significant effect of recession on stock sensitivity (beta) of Refinery Sector." **(Table 5-a)** Paired t test over alpha of pre and post-recession, result indicate the t value 0.263 which was not significant at 0.05 level of significant. Which means that null hypothesis was not rejected. It also implied that "There was no significant effect of recession on stock fundamental strength (alpha) of Refinery Sector". **(Table 5-b)** Paired t test over CAPM of pre and post-recession the result revealed the t value 0.418 which was not significant at 0.05 level of significant. Which means that null hypothesis is not rejected. It can be concluded that "There was no significant effect of recession on stocks returns (CAPM Model) of refinery sector. **(Table 5-c)**

CONCLUSION

The study concluded that there was change in the Stock Sensitivity Beta (â) of two companies of the four considered for the study. Overall study of the companies, taken together for their stock sensitivity Beta (â) concludes that "There was a significant effect of recession on stock sensitivity (beta) of refinery sector." The Stock Sensitivity Beta (â) of almost all leading oil refinery companies was not same as before, which indicated that, the performance and its relativity to the market was not same as it was before recession. The research concludes that there was no change in the Fundamental Strength (á) of all four companies considered for the study. Overall study of all four companies, taken together for their fundamental strength (á) concludes that "there was no significant effect of recession on stock fundamental strength (alpha) of Refinery Sector". The Fundamental Strength (á) of almost all leading oil refinery companies was same as before, which indicated that, the performance and its relativity to the market was same as it was before recession. The research also concludes that there was no change in the Stock Returns (CAPM) of all four companies

considered for the study. The Stock Returns (CAPM) of almost all leading oil refinery companies was same as before, which indicates that, the performance and its relativity to the market was same as it was before recession. It can be also observed from the study that beta was positive in some companies whereas, in some companies it was negative. But on the basis of overall result it can be concluded that there was the effect of recession on stock performance of oil sector companies. The reason of such type of mix result might be due to continuous price fluctuation in foreign exchange. As beta is increasing, it highlighted the high risk in stock investment of oil sector companies. Therefore, it is recommended to the investors that sectorial analysis is not important in oil refinery companies but the individual stock analyses plays an important role. If an investor is interested to invest in stock of any oil refinery company, he must analyze the trend of that particular stock, fundamental analysis and evaluate the risk and expected return.

IMPLICATIONS OF THE STUDY

The investors can use the study for selecting appropriate stock as per market sensitivity and the stock's fundamental strength. As the market is highly volatile and the hard earn money, if invested without analyzing the market sensitivity, the investor's wealth can be declined. Thus, the above study would help to check the nerve of the market to form investment strategy. The analyst can use the study to check the market sensitivity and identify the fundamental strength of the stock. The academicians and researchers can further research to study the Stock Sensitivity Beta (â), Fundamental Strength (á), Stock Returns (CAPM) of other sectors such as Telecommunication, Banking, Insurance, Automobile, Pharmaceutical and other sectors with respect to Pre and Post Recession Periods.

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Table 1(A): Paired T-Test over Beta1(Pre Recession) and Beta2 (Post Recession) for Essar Oil

F T-Test

[Detta Set 0]

Paired Samples Statistics

		Mean	N	Std. Deviation	Std. Error Mean
Pair 1	betal	....	36	.688373762	.114728960
	beta2	1.3039E0	36	.573550883	.095591814

Paired Samples Correlations

		N	Correlation	Sig.
Pair 1	betal & beta2	36	.188	.271

Paired Samples Test

	Paired Differences							
				95% Confidence Interval of the Difference				
	Mean	Std. Deviation	Std. Error Mean	Lower	Upper	t	df	Sia. (2-tailed)
Pair 1 betal - beta2	-9.235E-1	.808720572	.134786762	-1.197201055	-.649937707	-6.852	35	.000

Table 1(B): Paired T-Test over Alpha1(Pre Recession) and Alpha2 (Post Recession) for Essar Oil

T-Test

[DataSet0]

Paired Samples Statistics

		Mean	N	Std. Deviation	Std. Error Mean
Pair 1	alpha 1	...	36	.570746113	.095124352
	alpha 2	...	36	2.284007894	.380667982

Paired Samples Correlations

		N	Correlation	Sig.
Pair 1	alphal & alpha2	36	.055	.752

Paired Samples Test

		Paired Differences							
					95% Confidence Interval of the Difference				
		Mean	Std. Deviation	Std. Error Mean	Lower	Upper	t	df	Sia. (2-tailed)
Pair 1	alpha1 - alpha2	...	2.323805128	.387300855	-.629804206	.942720866	404	35	.689

Table 1 (C): Paired T-Test over CAPM1 (Pre Recession) and CAPM2 (Post Recession) for Essar Oil

T-Test

Data Set 0)

Paired Samples Statistics

		Mean	N	Std. Deviation	Std. Error Mean
Pair 1	capm1	....	35	.476980619	.080624440
	caprn2	....	35	1.900414054	.321228605

Paired Samples Correlations

		N	Correlation	Sig.
Pair 1	capm1 & capm2	35	.417	.013

Paired Samples Test

		Paired Differences							
					95% Confidence Interval of the Difference				
		Mean	Std. Deviation	Std. Error Mean	Lower	Upper	t	df	Ski. (2-tailed)
Pair 1	capm1 - capm2		1.756093169	.296833923	-.567528509	.638949710	120	34	905

Table 2(A): Paired T-Test over Beta1 (Pre Recession) and Beta2 (Post Recession) for HPCL

T-Test

Data Set 0)

Paired Samples Statistics

		Mean	N	Std. Deviation	Std. Error Mean
Pair 1	beta1	...	36	.629432377	.104905396
	beta2		36	.441579182	.073596530

Paired Samples Correlations

		N	Correlation	Sig.
Pair 1	beta1 & beta2	36	.252	.138

Paired Samples Test

		Paired Differences							
					95% Confidence Interval of the Difference				
		Mean	Std. Deviation	Std. Error Mean	Lower	Upper	t	df	Ski. (2-tailed)
Pair 1	beta1 - beta2	-2.347E-1	.671515381	.111919230	-.461941394	-.007525161	-2.097	35	.043

Table 2(B): Paired T-Test over Alpha1 (Pre Recession) and Alpha2 (Post Recession) for HPCL

T-Test

Data Set 0)

Paired Samples Statistics

		Mean	N	Std. Deviation	Std. Error Mean
Pair 1	alpha1	...	36	.670567427	.111761238
	alpha2	-1.651E-1	36	.855352480	.142558747

Paired Samples Correlations

		N	Correlation	Sig.
Pair 1	beta1 & beta2	36	-.091	.596

Paired Samples Test

		Paired Differences							
					95% Confidence Interval of the Difference				
		Mean	Std. Deviation	Std. Error Mean	Lower	Upper	t	df	Ski. (2-tailed)
Pair 1	alpha1 - alpha2	1.134115279		.189019213	-.168675851	.598782955	1.132	35	263

Table 2(C): Paired T-Test over CAPM1 (Pre Recession) and CAPM2 (Post Recession) for HPCL

T-Test

Data Set 0)

Paired Samples Statistics

		Mean	N	Std. Deviation	Std. Error Mean
Pair 1	capm1		34	.606326751	.103984180
	capm2	-1.088E-1	34	.674196914	.115623817

Paired Samples Correlations

	N	Correlation	Sig.
Pair 1 capm1 & capm2	34	-.123	.489

Paired Samples Test

	Paired Differences							
				95% Confidence Interval of the Difference				
	Mean	Std. Deviation	Std. Error Mean	Lower	Upper	t	df	Ski. (2-tailed)
Pair 1 capm1 - capm2		.960455188	.164716706	-.173975996	.496261319	978	33	.335

Table 3(A): Paired T-Test over Beta1 (Pre Recession) and Beta2 (Post Recession) for IOCL

T-Test

Data Set 0)

Paired Samples Statistics

		Mean	N	Std. Deviation	Std. Error Mean
Pair 1	beta1		36	.632183043	.105363841
	beta2		36	.555230177	.092538363

Paired Samples Correlations

	N	Correlation	Sig.
Pair 1 beta1 & beta2	36	-.041	.813

Paired Samples Test

	Paired Differences							
				95% Confidence Interval of the Difference				
	Mean	Std. Deviation	Std. Error Mean	Lower	Upper	t	df	Ski. (2-tailed)
Pair 1 beta1 - beta2		.858233064	.143038844	-.200616045	.380152538	.628	35	.534

Table 3(B): Paired T-Test over Alpha1 (Pre Recession) and Alpha2 (Post Recession) for IOCL

T-Test

Data Set 0)

Paired Samples Statistics

		Mean	N	Std. Deviation	Std. Error Mean
Pair 1	alpha1	...	36	.741952854	.123658809
	alpha2	...	36	1.220461882	.203410314

Paired Samples Correlations

	N	Correlation	Sig.
Pair 1 alpha1 & alpha2	36	-.134	.437

Paired Samples Test

	Paired Differences							
				95% Confidence Interval of the Difference				
	Mean	Std. Deviation	Std. Error Mean	Lower	Upper	t	df	Ski. (2-tailed)
Pair 1 alpha1 - alpha2	-1.887E-1	1.510646136	.251774356	-.699878525	.322379708	- 750	35	.458

Table 3(C): Paired T-Test over CAPM1 (Pre Recession) and CAPM2 (Post Recession) for IOCL

T-Test

Data Set 0)

Paired Samples Statistics

		Mean	N	Std. Deviation	Std. Error Mean
Pair 1	capm1	...	35	.643640557	.108795111
	capm2	...	35	.391738097	.066215824

Paired Samples Correlations

	N	Correlation	Sig.
Pair 1 capm1 & capm2	35	.175	.315

Paired Samples Test

	Paired Differences							
				95% Confidence Interval of the Difference				
	Mean	Std. Deviation	Std. Error Mean	Lower	Upper	t	df	Ski. (2-tailed)
Pair 1	capm1 - capm2	.692533826	.117059582	-.231646036	.244141349	.053	34	.958

Table 4(A): Paired T-Test over Beta1 (Pre Recession) and Beta2 (Post Recession) for BPCL

T-Test

Data Set 0)

Paired Samples Statistics

		Mean	N	Std. Deviation	Std. Error Mean
Pair 1	beta1		36	.398013032	.066335505
	beta2		36	.441138554	.073523092

Paired Samples Correlations

	N	Correlation	Sig.
Pair 1 beta1 & beta2	36	.098	.571

Paired Samples Test

	Paired Differences							
				95% Confidence Interval of the Difference				
	Mean	Std. Deviation	Std. Error Mean	Lower	Upper	t	df	Ski. (2-tailed)
Pair 1 beta1 - beta2		.564552261	.094092044	-.053807218	.328226789	1.458	35	.154

Table 4(B): Paired T-Test over Alpha1 (Pre Recession) and Alpha2 (Post Recession) for BPCL

T-Test

Data Set 0)

Paired Samples Statistics

		Mean	N	Std. Deviation	Std. Error Mean
Pair 1	alpha1		36	.529735631	.088289272
	alpha2		36	.351812107	.058635351

Paired Samples Correlations

	N	Correlation	Sig.
Pair 1 alpha1 & alpha2	36	.065	.708

Paired Samples Test

	Mean	Paired Differences						
				95% Confidence Interval of the Difference				
	Mean	Std. Deviation	Std. Error Mean	Lower	Upper	t	df	Ski. (2-tailed)
Pair 1 alpha1 - alpha2	-3.170E-2	.616686112	.102781019	-.240363769	.176949352	-308	35	.760

Table 4(C): Paired T-Test over CAPM1 (Pre Recession) and CAPM2 (Post Recession) for BPCL

T-Test

Data Set 0)

Paired Samples Statistics

		Mean	N	Std. Deviation	Std. Error Mean
Pair 1	capm1	36		.522085517	.087014253
	capm2	36		.513521316	.085586886

Paired Samples Correlations

		N	Correlation	Sig.
Pair 1	capm1 & capm2	36	.165	.337

Paired Samples Test

	Paired Differences							
				95% Confidence Interval of the Difference				
	Mean	Std. Deviation	Std. Error Mean	Lower	Upper	t	df	Ski. (2-tailed)
Pair 1 capm1 - capm2	-1.056E-2	.669309091	.111551515	-.237025349	.215897882	-.095	35	.925

Table 5(A): Paired T-Test over Beta1 (Pre Recession) and Beta2 (Post Recession) for Refinery Sector

T-Test

Data Set 0)

Paired Samples Statistics

		Mean	N	Std. Deviation	Std. Error Mean
Pair 1	beta1		36	.404073676	.067345613
	beta2		36	.291267558	.048544593

Paired Samples Correlations

		N	Correlation	Sig.
Pair 1	beta1 & beta2	36	-.033	.850

Paired Samples Test

	Paired Differences							
				95% Confidence Interval of the Difference				
	Mean	Std. Deviation	Std. Error Mean	Lower	Upper	t	df	Ski. (2-tailed)
Pair 1 betal - beta2	-2.328E-1	.505760998	.084293500	-.403956059	-.061706255	-2.762	35	.009

Table 5(B): Paired T-Test over Alpha1 (Pre Recession) and Alpha2 (Post Recession) for Refinery Sector

T-Test

Data Set 0)

Paired Samples Statistics

		Mean	N	Std. Deviation	Std. Error Mean
Pair 1	alpha1		36	.479863533	.079977256
	alpha2		36	.589673059	.098278843

Paired Samples Correlations

	N	Correlation	Sig.
Pair 1 alpha1 & alpha2	36	-.292	.084

Paired Samples Test

	Paired Differences							
				95% Confidence Interval of the Difference				
	Mean	Std. Deviation	Std. Error Mean	Lower	Upper	t	df	Ski. (2-tailed)
Pair 1 alpha1 - alpha2		.862011282	.143668547	-.253898840	.329426473	263	35	.794

Table 5(C): Paired T-Test over CAPM1 (Pre Recession) and CAPM2 (Post Recession) for Refinery Sector

T-Test

Data Set 0)

Paired Samples Statistics

		Mean	N	Std. Deviation	Std. Error Mean
Pair 1	capm1		36	.439028681	.073171447
	caprn2		36	.480327857	.080054643

Paired Samples Correlations

	N	Correlation	Sig.
Pair 1 capm1 & capm2	36	.090	.600

Paired Samples Test

	Paired Differences							
				95% Confidence Interval of the Difference				
	Mean	Std. Deviation	Std. Error Mean	Lower	Upper	t	df	Ski. (2-tailed)
Pair 1 capm1 - capm2		.620785907	.103464318	-.166827142	25326x322	418	35	.679

BUILDING EMPLOYEE ENGAGEMENT THROUGH ORGANIZATIONAL CULTURE: AN EMPIRICAL STUDY OF INDIAN IT INDUSTRY

Rashmi Rai[*]

There is a need for a better understanding of the broader factors that impact on employee engagement and for that it is required to understand how the organizational context influences employee engagement. Using a multilevel framework, this study examined the role of six organizational culture variables namely Employee Performance, Organizational structure, Conflict Management, Innovation, Participation, Work Life in facilitating employee engagement of employees. Based on the organizational culture literature and employee engagement research, it was assumed that the relationship between organizational culture and employee engagement would differ depending on various variables. This study uses a non-probability sampling technique and convenience sampling. A survey self-administered questionnaire was distributed on a sample of 150 employees of Information Technology Firms. Our findings showed that there exists a positive relationship between organizational culture and employee engagement. A strong organizational culture will help establish an organization as an employer of choice and result in many positive returns to the bottom line of the business, hence proving that if the culture is strong the employee engagement is high.

INTRODUCTION

Accomplishment stories of successful business organizations have been scripted on contributions made by engaged employees. Engaged employees are the ones who deeply express themselves physically, practicaly and emotionally during performances in various roles in the organization. They act as drivers of financial and market success. They give star performances by trying to stretch themselves and endlessly try hard to outperform by setting new standards of excellence. Owing to this, enhancing employee engagement has gained a lot of momentum in business organizations across the globe. Employees are engaged when organizations have strong work culture, where they can get platforms to express their concerns and opportunities to grow and develop their potential. This study provides a methodology for measuring impact of organization culture on facilitating employee engagement.

Employee engagement is the degree to which an employee is practically and emotionally attached to his work and organization. It reflects in the level of recognition and commitment an employee has towards the organization and its morals. Engaged employees are concerned about the future of the organization and are willing to invest discretionary efforts for the organization. Hewitt Associates (2004) defines employee engagement as those who say speak - positively about the organization, stay – desire to be an effective member and strive - continue to perform beyond minimal requirements for the organization.

Engagement means different perspective to different stake holders for Individuals its ownership, clarity and action. Individuals need to know what they want — and what the organization needs — and then take action to achieve both, for Managers: Coaching, relationships and dialogue. Managers must understand each individual's talents, interests and needs and then match those with the organization's objectives — while at the same time creating personal, trusting relationships. Furthermore, they need to discuss engagement often. Executives: Trust, communication and culture. Executives have to demonstrate consistency in words and actions, communicate a lot (and with a lot of depth), and align

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is managed, and projects are co-coordinated within the organization. It is reflected in the way the corporation or institution is structured; whether work is conducted cross-functionally or within silos, how the hierarchical levels are set up, and the types of job titles used. Culture is often defined by the systems that are used, the processes that are followed, and the rituals, symbols, and stories that abound in the organization. It is even reflected in how meetings are held in an organization (Sergey Group, 2013). Organizational culture can be defined as shared perceptions of organizational practices, the concept is similar to organizational climate, which has been typically conceived as employees' perceptions of observable practices and procedures. It is reflected in the various ways in which employees perceive, think, act and behave. It forms the bond that holds the organization together and stimulates employees to commit to the organization and to perform.

LITERATURE REVIEW

Many organizations believe that employee engagement is a leading source of competitive benefit and thus, have been drawn to its reported ability to solve difficult organizational challenges such as decreasing turnover rates and increasing productivity. Research has promoted this belief by suggesting that organizations with high levels of employee engagement report positive organizational outcomes (Kular, Gatenby, Rees, Soane, & Truss, 2008). In an examination of gender and employee engagement, Avery et al. (2007) reported that women were more engaged (r = .19) than their male co-workers. However, research by Yildirim (2008) who studied Turkish counselors, reported that levels of engagement did not differ significantly between males and females. While results vary, some researchers (Schaufeli and Bakker 2004) have suggested that females are at higher risk of developing stress due to competing work and home responsibilities and therefore, report higher levels of burnout and consequently may report lower levels of engagement.

Coffman and Gonzalez-Molina (2002) indicate that, in general, employees start out energized, engaged, and ready to take on the responsibility of the job. However, over the first six months of employment only 38% remain engaged and af-

ter ten years engagement drops to about 20%. This is a particularly alarming statistic when one of 14 the most important characteristics for any human services agency is the quality and effectiveness of its personnel (Ewalt, 1991).

Culture is also a shared understanding of feelings and experiences by its organization's members (Canessa & Riolo, 2003). Values and beliefs, which are the building blocks of an organization's culture, consist of symbols, communications scripts, events, myths, and ways of doing things (Chattopadhay, 1991). Culture is also the glue that keeps an organization together. Bennis (1999) noted that the leader's decision-making style influences the type of organizational culture. Transformational decision-making directed toward organizational goals and vision stands in contrast to transactional decision making that meets individual needs. Organizations also tend to have similar cultures in relatively homogenous business units and organizational types, with similar sizes, levels of technology, and configurations (O'Reilly et al, 1991; Webster, 2004). It has thus been determined that an organization's culture has been influenced by both internal and external factors.

Culture influences the communication skills and decision-making processes of the organization's members and affects its credibility (Cooke & Rousseau, 1988; Fisher, 2000). Organizational culture also shapes the organization's level of socialization and learning (Cooke & Rousseau, 1988). Gordon (1991) developed the argument that organizational or corporate culture is strongly influenced by the characteristics of the industry in which the company operates. Within an industry, firms share the industry driven cultural elements which are influenced by industry characteristics and are based on assumptions about the competitive environment, customer requirements and societal expectations.

RESEARCH METHODOLOGY

The Study: The research method used in the research was descriptive – correlation and its goal are to be applicable. From data point of view it is quantitative.

Conceptual framework:

Employee performance				Team work
Organization structure				Feedback
Conflict management	Organization culture	Employee engagement		Opportunities for growth
Innovation				Work life balance
Participation				Quality and customer focus
Work life				Compensation
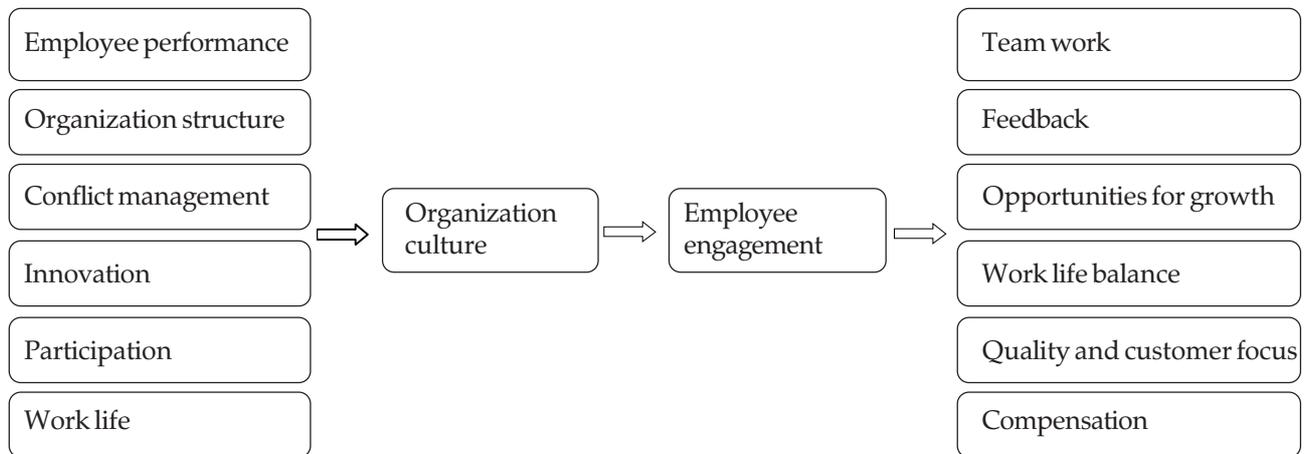
The Sample: The study was undertaken on IT professionals working in Delhi NCR and the total sample size was 150 IT professional from the middle level cadre. Out of 150 respondents selected 60 were males and 90 were females, in regard of experience 120 respondents had a experience of only 0-5 years, 20 respondents had the experience of 6-10 years and 10 respondents had the experience of 11-15 years, with respect to the age of respondents 100 respondents were age between 20-29 years and 50 respondents were age between 30-39 years.

Tools for Data Collection: The questionnaire was designed under three heads namely, Demographic details, Organisational Culture, Employee Engagement. The respondents were told to respond to the extent to which they agreed or disagreed on each item, the 5 point Likert scale is employed in the measurement of all the scales.

Tools for Data Analysis: The data collected was analysed carefully and the Cronbach's Alfa technique was used and for its reliability of instrument. Further data was analysed with the help of correlation.

The research method is descriptive – correlation and its goal is to be applicable.

RESULTS AND ANALYSIS

Table 1: Cronbach's alpha testing

Testing the hypothesis: In order to check the hypothesis we used the correlation test to measure the relationship between the variables. Re-sults showed that there is a positive relationship between Organisational Culture and Employee Engagement, thus in this case the main theme of the study is proved. The findings also proved that there is a positive and meaningful relationship between employee performance, organization structure, conflict management, Innovation, Participation, Work Life and Employee Engagement. Seven hypothesis have been formulated and tested as follows:

H1: There is a positive relationship between Employee Performance and Employee engagement

There is a significant relationship between Individual Performance and Employee engagement and is supported by data (PC = 0.819, Sig. =0.000, $p<0.05$)

Employee engagement has become a top business priority for senior executives. In this economy, business leaders know that having a high- performing employees is essential for growth and survival. They know that highly engaged employees can increase innovation and productivity, while reducing costs related to hiring and retention in highly competitive talent markets.

Studies have found positive relationship between employee engagement and organizational performance outcomes: employee retention, productivity, profitability, customer loyalty and safety. Researches also indicate that the more engaged employees are, the more likely their employer is to exceed the industry average in its

revenue growth. Employee engagement is found to be higher in double-digit growth companies.

But while most executives see a need to improve employee engagement, many have yet to develop tangible ways to measure this goal. However, a growing group of best companies says they are gaining competitive advantage through establishing practices to effectively measure and improve individual performance which will in return improve employee engagement.

H2: There is a positive relationship between Organisational Structure and Employee Engagement

There is a positive relationship between Organisational Structure and Employee engagement and is supported by data (PC = 0.367, Sig. =0.000, p<0.05).Though the relationship is not very significant but still organizational structure has a positive relationship, clearly stating that the null hypothesis is rejected and alternate hypothesis is accepted.

H3: There is a positive relationship between Conflict Management and Employee Engagement

There is a significant relationship between Conflict management and Employee engagement and is supported by data (PC = 0.757, Sig. =0.000, p<0.05)

Conflict is everywhere. Employment tribunal claims have risen exceptionally in last year few years and proceedings is a major concern for employers. Employees are more stressed than ever. Employers are struggling to deal with the short term situation while, at the same time, employees feel worried for their job security as they are under increasing pressure to work harder or improve their performance. Areas ready for improvement are employee security and conflict management, and the links between individual employee engagements.

While employee engagement prevents conflict, it would be wrong to suggest that employee engagement can eliminate conflict completely. Both are essentially linked in that disengaged employees are more likely to be in dispute with their employers and an engaged workforce means less conflict. Where conflict happens, by communicating and mediating with employees it is possible to deal with that conflict positively and fruitfully. A natural partner for employee engagement is therefore positive conflict management. By embracing these two areas – employee engagement and conflict management – businesses can create a righteous circle of wellbeing, motivation, productivity and success.

H4: There is a positive relationship between Innovation and Employee Engagement

There is a positive relationship between Innovation and Employee engagement and is supported by data (PC = 0.28, Sig. =0.000, p<0.05). The ability of organization to nurture creativity and innovation depends on organizational culture. According to Nair & Gopal (2011), such a culture is built incrementally by providing facilities, incentives, conducive work atmosphere, and leadership. From this data it is clear that though the relationship is not very significant but still Innovation does play an important role in employee engagement and has a positive relationship, clearly stating that the null hypothesis is rejected and alternate hypothesis is accepted .

H5: There is a positive relationship between Employee Participation and Employee Engagement

There is a significant relationship between Employee Participation and Employee engagement and is supported by data (PC = 0.345, Sig. =0.000, p<0.05). When Employees' views are sought out; they are listened to and see that their opinions count and make a difference. They speak out and challenge when appropriate. A strong sense of listening and of responsiveness permeates the organisation, enabling effective communication. From this data it is clear that though the relationship is not very significant but still Innovation does play an important role in employee engagement and has a positive relationship, clearly stating that the the null hypothesis is rejected and alternate hypothesis is accepted

H6: There is a positive relationship between Work Life and Employee Engagement

There is a significant relationship between Work Life and Employee engagement and is supported by data (PC = 0.853, Sig. =0.000, p<0.05)

Work life: The physical activity programs for employees to promote employee wellbeing with a view to reducing the costs of absence and recruitment. The physical activities include social events, employee outings, seminars, etc. The study had shown that organizations indulged in these activities show high level of employee engagement. Therefore, organizations should be active in organizing such activities for their employees.

H7: There is a positive relationship between Organisational Culture and Employee Engagement

There is a significant relationship between Organizational Culture and Employee engagement and is supported by data (PC = 0.892, Sig. =0.000, p<0.05). The culture of the organization can have a powerful impact on its employees. A positive, open culture can create trust and loyalty among employees, giving them passion for their job and a dedication to the company. Employees who feel happy in the culture are more likely to be engaged in their jobs and companies, which can inspire enthusiasm and productivity. By investing time and money to create a strong culture, the company can be made more competitive and profitable.

CONCLUSION AND SUGGESTIONS

Acquiring skilled workforce is just not enough in today's changing economy like ours; instead a lot needs to be done to retain, involve and make them committed to the organization and its goals. Thus, engagement is a state where an individual is not only intellectually committed but has great emotional attachment with his/her job that goes above and beyond the call of duty so as to further the interest of the company. Organizational culture is one of the main pillar that shapes the behavior , ethics and the handle all employees, , but the performance still could be improved if employee engagement has high, employees are still working fine. Engagement owned by employees is the main factor that should be on employees and must be properly managed by the organization, because engagement can improve employee performance despite a leadership that is not conducive which cannot improve employee performance and despite organizational culture that is formed does not support maximum performance. Employees need a sense of employee involvement in work, because consciousness and high sense of responsibility of the employee to encourage good performance and is not affected by any of the outside environment.

The study provides preliminary evidence that the positive perceived culture have a positive influence on employee engagement levels. The results outlined in this study are inconclusive to as being as the sole contributing factors impacting employee engagement; however there is evidence that the positive culture do positively influence overall employee engagement.

The data has been collected in Delhi NCR taking a wider area could have may have produced different results as it may vary from place to place. The number of female respondents in our study is more as compared to the male counter part; also the sample size selected for the study is small and is not representative of whole of the country .There were number of respondents who refused to share their data. The technique of research used is survey design if mix method could have been used with interviews and qualitative data gathering techniques the result could be more generalizable.

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Tabe 1: Reliability Statistics of Organisational Culture

Reliability Statistics of Organisational Culture and Employee Engagement		
Variables	Cronbach's Alpha	No. of Items
Organisational Culture	0.681	6
Employee Engagement	0.751	6

Table 2: Results of Correlation between Variables

Variables of Organisational Culture		Employee Engagement	sig (2 tailed)
Employee Performance	Pearson Correlation	0.819	0
Org Structure	Pearson Correlation	0.367	0
Conflict Management	Pearson Correlation	0.757	0
Innovation	Pearson Correlation	0.28	0
Participation	Pearson Correlation	0.345	0
Work Life	Pearson Correlation	0.853	0

Table 3: Results of Correlation between Organizational Culture and Employee Engagement

Correlations			
		ORG CULTURE	EMPLOYEE ENG
Org Culture	Pearson Correlation	1	.892[**]
	Sig. (2-tailed)		.000
	N	150	150
Employee Engagement	Pearson Correlation	.892[**]	1
	Sig. (2-tailed)	.000	
	N	150	150

**. Correlation is significant at the 0.01 level (2-tailed).

IMPULSIVE BUYING BEHAVIOUR IN ORGANIZED RETAIL STORES– WITH SPECIFIC REFERENCE TO FMCGS IN GUJARAT

Darshana R. Dave * **and Brijesh M. Patel** **

The study aims to analyze "factors affecting impulsive buying behaviour for fast moving consumer goods at organised retail stores in Gujarat". The study is based on the primary data collected from organised retail stores in Gujarat with the help of a structured questionnaire from 500 respondents by using judgmental sampling method. The study was carried out during the period of 2013-14 under major research project sponsored by UGC, New Delhi. The findings of the study reflected that there are varieties of buying behaviour observed such as impulsive buying behaviour, planned buying behaviour and spontaneous buying behaviour at organised retail stores.

INTRODUCTION

The consumer today is subjected to many kinds of informative messages, luring advertisements, motivating invitations and suggestive purchase directions from all kinds of media and its vehicles. But does a consumer really listen to each and every message being thrown upon him from all directions? If he does, it will be very confusing for him to make a decision. The consumer, in order to make an educated purchase decision, must make a choice. He must be in a position to evaluate discerningly the selected information he wants for himself, from the jumble of information being thrown upon him from all kinds of media.

A significant factor influencing how consumer decisions are made is the consumer's level of involvement while satisfying a need. Some purchase decisions need high involvement. That is, when a need arises a consumer decides to actively collect and evaluate information about the purchase situation. Impulsive buying, or purchasing with little or no advance planning is a form of low-involvement decision making. Self-service, open-display retailing has conditioned shoppers to do more impulsive buying. Because of the growth of this type of low-involvement purchasing, greater emphasis must be placed on promotional programs such as in-store videos demonstrating product benefits. Also, displays and packages must be made appealing, because they serve as silent sales people.

Point of purchase (POP) has become more important, and will be the moment of truth for brands and retailers if they are to deliver their promise to the consumer. Hence, smart brands and retailers will spend more effort in terms of improving not only store interiors but also the overall shopping experience, even if they are high value-seeking ones. So far as shopping behaviour is concerned, there is a strong increase in the trend of going for shopping as a 'family which, in turn, is on account of less time available for most Indians. Shopping together saves time for the family while also providing some additional time together. Modern retail which offers all under one roof options, optimizes core consumers with many dimensions including saving of time, enhanced shopping experience, and combining shopping with leisure and recreation. Hence, given a choice between traditional shopping markets and a well-planned shopping centre, consumer is more likely to opt for the latter. When different brands compete under one roof in modern retail outlets sensory marketing plays a vital role. It changes brand perception positively when the stimulus is congruent with the other brand elements. It can thus be seen as a suitable tool for reinforcing the value of a brand.

An impulse purchase or impulse buy is an unplanned decision made to buy a product or service, just before a purchase. One who tends to make such purchases is referred to as an impulse purchaser or impulse buyer. As the store

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size increases, it becomes necessary that the impulse purchase also increases correspondingly to the turnover of the store. Impulse buying is a result of promotional stimuli and the buying items are not decided in advance in a customer's mind before starting a shopping trip.

The future growth of organised retailing would depend on the ability of retailers to widen their customer base. This has already started in a big way and large retailers have taken direct marketing initiatives such as loyalty programmes for consumers. The growth would also depend on the ability of retailer to efficiently manage the supply chain and increase operational efficiency through economies of scale, optimal space management and service ability. Government, through appropriate policy initiatives, would also play a crucial role in the growth and development of this sector.

REVIEW OF LITERATURE

Retailing involves various activities of shopping, such as purchasing through the internet, dealing in financial services, eating at the restaurant, visiting the beauty parlour etc. This indicates the complexity involved in retail marketing operations. Due to the constant changes occurring at the market place, the term retailing also has undergone changes. Nevertheless, retailing can be referred to all the activities involved in the marketing and distribution of goods and services (Nair 2006).

Earliest research on impulsive buying used the impulse buying and unplanned buying interchangeably (Kollat and Willett 1969). The only criterion differentiating planned from unplanned buying was the time and place of the buying decision – before entering the store or inside the store (Bellenger, Robertson, Hirschman, 1978). This reasoning leads to assumption, that consumers always have precise shopping list, but obviously it cannot be true.

By the 1970s, researchers had begun to question whether products could be classified as impulse or non-impulse, and concluded that virtually all products could be purchased impulsively. It is the consumer not the product, who experiences impulses (Rook, 1987). In the 1980s,

the approach to impulsive buying definitely changed with important works by Rook (1987) and Rook and Hoch (1985) who attempted to clarify the nature of impulse buying.

The working definition of impulse shopping is the one used by Cobb and Hoyer of the 'pure impulse shopper:' meaning the impromptu purchase of a product and brand undecided (Cobb et al, 1986.) Furthermore we will use Engel's definition of the consumer deciding to purchase the product without buying intention been formed before entering the store." The only difference is the impulse purchase will be decided after entering the mall as opposed to the store because certain stores have similar trends; therefore the customer might have recognized a need for the product after passing another store window, in which case the purchase is still under pure impulse.

In researches conducted on impulse buying and fashion products (Han et al., 1991) it is reported that impulse buying behavior regarding fashion products are associated with patterns like haste, repeated emotions as well as fashion-oriented impulse buying behaviors. These facts were also quoted by Park et al. (2006). The definition of fashion involvement basically relates to apparel associated with fashionable outfits. The findings of (Han et al.1991) quoted in response to fashion involvement of consumers, that it might enhance fashion-oriented impulse buying behaviors among those who habitually wear fashion outfits. (Fairhurst et al.1989 and Seo et al. 2001) found a direct association among fashion involvement and apparels purchase. Positive emotions are defined as affects and moods, which determine intensity of consumer decision-making reported by (Watson and Tellegen 1985). (Park et al.2006) found a positive relationship of positive emotions, fashion involvement and fashion-oriented impulse buying with the overall impulse buying behavior of the consumers.

Retailer's marketing objectives can be classified into three broad categories: attraction that focuses on consumer's store entry decision; conversion that relates to consumers decisions about whether or not to make a purchase at a store; and spending that represents both rupee value and the composition of their transactions. The in-store environment is identified as an important determinant of impulse purchase (Taishif

and Gupta 2013)

Sharma and Nanda (2012) studied impulse buying behaviour of Indian consumers at airport terminals and tried to analyze the interrelationship between impulse buying tendency, browsing and impulse purchase in the airport environment. The study suggested that higher impulse buying tendency may not necessarily lead to impulse purchase. It was found that the level of impulsive purchase does not increase with browsing and suggested that browsing activity should be encouraged in such a way that it leads to actual purchase of products at the airports.

Yadav and Chatterjee (2011) studied the evolution of organized retailing in India, the emergence of new formats and the challenges that lie ahead. The article presents that how trends are shifting from traditional retailing in India, to modern organized retail channels.

Mittal et.al., (2011) study focused on the factors affecting consumer preference related to shopping at organised retails store in Panjab. The study concluded that there are six major factors that consumers prefer as far as the retail stores are concerned. These factors include availability and variety, service, ambience, discount and price, quality of products and promotion.

Various researches have investigated the impact of gender on consumer attitudes. Women and men's shopping behavior have been explained by the theory of shopping (Miller 1998). The theory argues that women's shopping behavior is really a "devotional rite" or sacrifice enacted to express love and increase the happiness and stability of the family, while shopping-as-love is not usually an accurate motivation for male shoppers. A study by Alreck and Settle (2002) stated that women find shopping and buying more satisfying or pleasurable, and/or less dissatisfying or irritating than do men.

Hiremath and Chavadi (2013) conducted a research on impulsive buying behaviour of Apparels at acron arcade, Goa to know whether factors such as point - of – purchase displays availability of desired brand, product variety, price of the apparels and services of personal at the store have influence on the buyer behaviour.

The study indicated that point-of-purchase displays and availability of desired brand did not significantly influence the customers to indulge in impulsive buying. However, the price, variety in apparels and services of the store's personnel triggered purchase decision impulsively.

Banerjee and Saha (2012) also conducted a study of impulsive buying behaviour in retail stores – Triggering the senses, and concluded that impulsive buying is greatly influenced by price, discounts offered and quality of product. The study found that most consumers come to the stores only once a month. The study used statistical test of associate between the frequency of shopping and the gender of the consumer. The result of chi-square test showed association between gender and frequency of shopping.

Barlakanti and Srinivas (2012) found that consumers are more influenced through advertising and sales promotion schemes given by the retailer and also found that consumers like to do shopping with their family members, interested in shopping for below one hour only and satisfied with the convenience of the store's location.

Kongakaradecha and Khemarangsan (2012) study aimed to identify the various demographic factors relating to impulsive buying distinctively, investigating how the factors of impulse buying are related to impulse buying behaviour such as emotional factor, social factor and product promotion. The study found that women were more likely to indulge in impulse buying than men. The study indicated that people will buy products when they see discount tag or buy 1 get 1 as well as when they see the advertisement. This study revealed that people will indulge into impulsive buying when they are shopping with their friends or family members.

The literature review undertaken by authors suggested that a study of impulsive buying behaviour at organised retail stores will provide valuable information about consumers as not all the factors have been studied so far. Hence, this study was carried out by keeping in mind the in store attributes and their influence on consumer's behaviour.

OBJECTIVES

The study was carried out with an objective to identify the factors affecting impulse buying behaviour of consumers at organised retail stores.

RESEARCH METHODOLOGY

The Study: There was extensive use of primary as well as secondary data for the given study. Since the study was on consumer behaviour in retail stores, all the respondents coming out of the retail store with a shopping bag were considered as population.

The Sample: The sample was drawn by using judgemental sampling method from Gujarat state.

Tools for Data Collection: The data collection method used was mall intercept with a structured questionnaire. The sample for the given study was 500. The secondary data was collected from various books, magazines, journals and websites and primary data was collected by personal interview method.

Tools for Data Analysis: The data analysis was performed using SPSS 17.0 software. The results of the same have been discussed in the following tables. Table No. 1 to Table No. 6 depicts the demographic profile of respondents.

Demographic Profile of Consumers

The respondents were equally chosen from all the five cities of Gujarat i.e. Ahmedabad, Anand/Vallabh Vidyanagar, Baroda, Rajkot and Surat. (Table 1)

It can be observed from the above table that 55.80 per cent respondents were male and 44.20 per cent were females purchasing from organised retail stores in Gujarat. (Table 2)

It can be observed from the above table that approximately 65 per cent consumers (325) were in the age group of 15-30 years, 23 per cent consumers (115) were in the age group of 31-40 years, 6.20 per cent consumers (31) were in the age group of 41-50 years, 5 per cent consumers (25) were in the age group of 51-60 years and 0.8 per cent consumers (4) were in the age group of above 60 years. (Table 3)

It can be observed from the above table that 28.80 per cent consumers (144) were in the annual income group of less than 1,00,000 rupees, 25.80 per cent consumers (129) were in the annual income group of 1,00,000 to 3,00,000 rupees, 25.40 per cent consumers (127) were in the annual income group of 3,00,001 to 5,00,000 rupees, 11.20 per cent consumers (56) were in the annual income group of 5,00,001 to 10,00,000 rupees and 8.80 per cent consumers (44) were in the annual income group of above 10,00,000 rupees. (Table 5)

It can be observed from the above table that 39.00 per cent respondents (195) were having the post-graduation degree, 43.60 per cent respondents (218) were graduates, 16.80 per cent respondents (84) were H.S.C./S.S.C. qualified, and 0.60 per cent respondents were having professional degree. (Table 6)

It can be observed from the above table that 14.60 per cent respondents (73) were in the profession of business, 14.40 per cent respondents (72) were in government service, 23.60 per cent respondents (118) were students, 4.40 per cent respondents (22) were farmers, 18.20 per cent respondents (91) were housewives and 24.80 per cent respondents (124) were in private service.

Usage Pattern and Buyer Behaviour

When the respondents were asked a question since how long they had been visiting their favourite retail store the following picture emerged: (Table 7)

It can be observed from the above table that 42.40 per cent consumers (212) were visiting the store for less than 12 months, 32.40 per cent consumers (162) were visiting the store for the past 1 to 3 years, 16.20 per cent consumers (81) were visiting the store for the past 4 to 6 years and 9 per cent consumers (45) were associated with the store for more than 6 years.

When the respondents were asked a question which retail stores they had visited in past following response was available: (Table 8)

It can be observed from the above table that 79.20 per cent consumers (396) had visited big bazaar, 71.40 per cent consumers (357) had visited D-Mart, followed by consumers who had

visited Reliance super, More, Spencer's and Vishal Mega Mart.

When the respondents were asked regarding their preferred household products to be purchased from organized retail store the following picture emerged: (Table 9)

It can be seen from the above table that 51.80 per cent consumers gave purchase preference to cloths from retail store, 42.00 per cent consumers preferred to purchase grocery products from retail stores, 39.60 per cent consumers gave preference to beverages, 34.80 per cent consumers gave preference to personal cleaning product, 31.80 per cent consumers gave preference to detergent, 29.80 per cent consumers gave preference to vegetables, 29.60 per cent consumers gave preference to footwear, 29.00 per cent consumers gave preference to fruits in retail stores, followed by consumers preferring dairy products (28.60%), household appliances (21.40%), kitchen Utility and frozen food (19.60%), stationary products (19.20%), books (17.60%), music items (11.80%), sports goods (11.60%), toys (9.20%), jewelry (4.60%) and furniture (4.00%).

It can be observed from the table 10 that clean and convenient public areas is the most important factor affecting purchase decision at organised retail stores, followed by Value for Money, Customer service, Quality Products, One stop shopping, Wide variety of Products, Knowledgeable Personnel, Error free sales transaction and records, Modern looking equipment & fixtures etc.

Factor Analysis

Factor analysis has been used as one of the statistical method wherein respondents were asked 13 statements related to factors affecting their buying behaviour at organised retail stores. A readymade scale of impulsive buying developed by Rook and Fisher (1995) has been used with some modifications to make it suitable for the given study. Accordingly 13 statements were asked for which respondents were required to rate on a 5 points scale of agreement and disagreement.

Table 11 shows Cronbach's Coefficient (Alpha) values for ensuring scale validity for the given study:

The alpha coefficient for the 13 variables is 0.820, suggesting that the variables have relatively high internal consistency. Cronbach's alpha reliability coefficient normally ranges between 0 and 1.

Further, KMO and Bartlett's test for ensuring validity of factor analysis was also carried out and results have been tabulated below: (Table 12)

Kaiser-Meyer-Olkin Measure of Sampling Adequacy KMP Measure was calculated both for the entire correlation matrix and each individual variable evaluating the appropriateness of applying factor analysis. This index ranges from 0 to 1, reaching 1 when each variable is perfectly predicted without error by the other variables. Bartlett's Test of Sphericity was calculated to find whether the number of correlations among the variables is statistically significant or not. (Table 12)

The above table reflects that the value of KMO Measure was found to be 0.831, which is much higher than the minimum cut off rate of 0.50. This suggests that the factor analysis can be performed on this data. Bartlett's Test of Sphericity showed the value of Chi-Square at 1886.927 with 78 degrees of freedom, which was significant at 0.05 level of significance indicating the suitability of data for factor analysis. Thus, all of these examinations revealed that data and number of samples was fit for factor analysis.

Principle component analysis was employed for extracting factors. The number of factors to be extracted was finalized on the basis of latent Root Criterion. The rationale behind latent root criterion is that it ensures the variance of single variable on at least one factor, if that variable is to be retained. Orthogonal rotation with Varimax method was used for factor analysis. The varimax method is the most appropriate because it simplifies the classification of variables among different factors to be extracted. It not only shows the value of variance of each variable with respect to each factor, but also shows the positive or negative relationships with each factor. In this factor analysis, rotations converged into 3 iterations. In orthogonal rotation, each factor is independent of or orthogonal from all other factors. The correlation between the factors is de-

termined to be zero. As, the sample size taken for data analysis was 500 respondents, all factor loadings greater than 0.50 were considered for the analysis. (Table 13)

The results of Principle component analysis with Varimax rotation for sample are shown in above table. The number of factors extracted based on Eigen value was 3. It represents the amount of variance accounted for by each factor. Here the Eigen value above 1 is considered significant to find out the number of factors extracted. It showed that three factors have been extracted which together accounted for 56.303 per cent of the variance. Eigen values for the factor 3 is 4.173, 2.014 and 1.132 as revealed by the anti-penultimate row of the table. The percentage of the variance explained by individual factors is shown in the penultimate row of the table. It is observed that the percentage of variance explained by factor 3 is 32.100, 15.492 and 8.711. (Table 14)

Above table shows the communality values of all variables. Communality is the amount of variance an original variable shares with all other variables included in analysis. Large communality indicates that a large amount of variance in the variable has been accounted for by the factor solution. All the variables are having the communality values above cut off value of 0.50, which indicate that three variables should be considered for further analysis, but ten variables should not be considered for analysis. (Table 15)

'Reproduced Correlations' and 'Residuals' have been presented in the above tables respectively. It can be observed from residuals that there are 39 (50.0%) non-redundant residuals with absolute values greater than 0.05. Higher percentage of non-redundant is the acceptability of the model fit. So, it can be concluded that the data are fit for factor analysis.

The above table represents the components matrix[a] displaying components for each item (prior to rotation). (Table 16)

Further, rotated component matrix[a] displays the loadings for each item on each rotated component, again clearly showing which items make up each component. The rotated component matrix[a] Table 17.

As shown in the above table, out of total 13 variables, 2 variables "Sometimes I am a bit reckless about what I buy" and "Whenever any product is on offer, I immediately buy it" have loadings lower than 0.50. So, these variables have been removed from further consideration in factor extraction process. (Table 18)

The above table represents that the Component transformation matrix displays the correlations among the components prior to and after rotation of each factors.

After performing factor analysis following factors have emerged that affect buyer behaviour at organised retail stores and it also reflects three different types of behaviour depicted by respondents at organised retail stores.

Factor:1: Impulsive Behaviour :I often buy things without thinking., I see it, I buy it" describes me., Buy now, think about it later" describes me., Sometimes I feel like buying things on the spur of the moment., and I buy things according to how I feel at the moment-these were the statements combined in factor 1. It clearly reflects the impulsive behavior of buyers hence has been named as "Impulsive behavior".

Factor 2: Planned Behaviour: I carefully plan most of my purchases; I always try to buy as per my Plan/List., I think twice before buying any product, and I always buy products as per my requirement-all the four statements combined together reflects the characteristics of rational decision making. It has been named as "Planned behavior".

Factor 3: Spontaneous Behaviour: This factor includes statements such as "I often buy things spontaneously", and "Just do it" describes the way I buy things. This type of buyer may not be indulging in impulsive behaviour always, but if he/she likes the product makes a purchase decision. Therefore, it has been named as "Spontaneous behavior".

CONCLUSION

This study mainly focused on impulsive buying behaviour of consumers visiting organised retail stores in Gujarat. Apart from studying the consumption pattern across various demographic variables and factors affecting buying

decisions, study reflected the varieties of buying behaviour of consumers while purchasing FMCGs at organised retail stores. It has been also observed that clothes and grocery products are the most preferred product categories at organised retail stores.

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Table 1: City Wise Distribution of Respondents

City	Frequency	Percent	Valid Percent	Cumulative Percent
Ahmedabad	100	20.0	20.0	20.0
Anand/ Vallabh Vidyanagar	100	20.0	20.0	40.0
Baroda	100	20.0	20.0	60.0
Rajkot	100	20.0	20.0	80.0
Surat	100	20.0	20.0	100.0
Total	500	100.0	100.0	

Table 2: Gender Wise Distribution of Respondents

Gender	Frequency	Percent	Valid Percent	Cumulative Percent
Male	279	55.8	55.8	55.8
Female	221	44.2	44.2	100.0
Total	500	100.0	100.0	

Table 3: Age Wise Distribution of Respondents

Age	Frequency	Percent	Valid Percent	Cumulative Percent
15- 30 years	325	65.0	65.0	65.0
31-40 years	115	23.0	23.0	88.0
41- 50 years	31	6.2	6.2	94.2
51-60 years	25	5.0	5.0	99.2
Above 60 years	4	.8	.8	100.0
Total	500	100.0	100.0	

Table 4: Income Wise Distribution of Respondents

Income	Frequency	Percent	Valid Percent	Cumulative Percent
Less than 1,00,000	144	28.8	28.8	28.8
1,00,001 to 3,00,000	129	25.8	25.8	54.6
3,00,001 to 5,00,00	127	25.4	25.4	80.0
5,00,001 to 10,00,000	56	11.2	11.2	91.2
Above 10,00,000	44	8.8	8.8	100.0
Total	500	100.0	100.0	

Table 5: Education Wise Distribution of Respondents

Education	Frequency	Percent	Valid Percent	Cumulative Percent
Post-Graduation	195	39.0	39.0	39.0
Graduation	218	43.6	43.6	82.6
H.S.C/S.S.C	84	16.8	16.8	99.4
Professional	3	.6	.6	100.0
Total	500	100.0	100.0	

Table 6: Profession Wise Distribution of Respondents

Profession	Frequency	Percent	Valid Percent	Cumulative Percent
Business	73	14.6	14.6	14.6
Government Service	72	14.4	14.4	29.0
Student	118	23.6	23.6	52.6
Farmer	22	4.4	4.4	57.0
Housewife	91	18.2	18.2	75.2
Private Service	124	24.8	24.8	100.0
Total	500	100.0	100.0	

Table 7: Association of Respondents with the Store

	Frequency	Percent	Valid Percent	Cumulative Percent
Less than 12 Months	212	42.4	42.4	42.4
1 to 3 years	162	32.4	32.4	74.8
4 to 6 years	81	16.2	16.2	91.0
More than 6 years	45	9.0	9.0	100.0
Total	500	100.0	100.0	

Table: 8 Frequency of Respondent's Past Visit in Retail Stores

Retail Stores	Responses	Percent of Cases
Big Bazar	396	79.2%
D Mart	357	71.4%
Easy Day	55	11.0%
More	109	21.8%
N- mart	35	7.0%
Reliance Super	208	41.6%
Spencer's	90	18.0%
Vishal Mega mart	65	13.0%
Crystal Mall	5	1.0
Himalaya Mall	1	.2
Iscon Mall	12	2.4
V Surat	4	.8
Vadodara Central	1	.2
Total	1338	263.0%

a. Dichotomy group tabulated at value 1.

Table 9: Preferred Household Products in Organized Retail Store

	Household products	Responses	
		N	Percent
1	Dairy Products	143	28.60
2	Beverges	198	39.60
3	Household Appliance	107	21.40
4	Frozen Food	98	19.60
5	Fruits	145	29.00
6	Stationary Products	96	19.20
7	Vegetables	149	29.80
8	Cloths	259	51.80
9	Grocery Products	210	42.00
10	Footware	148	29.60
11	Kitchen Utility	98	19.60
12	Personal Cleaning	174	34.80
13	Toys	46	9.20
14	Music items	59	11.80
15	Sports goods	58	11.60
16	Books	88	17.60
17	Jewellery	23	4.60
18	Detergents	159	31.80
19	Furniture	20	4.00
	Total	2278	

a. Dichotomy group tabulated at value 1

Table 10: Factors Affecting Purchase Decisions at Organised Retail

Sr.No.	Factors	Respondents	Mean
1	Clean & Convenient Public Areas	500	3.95
2	Value for Money	500	3.80
3	Customer service	500	3.78
4	Quality Products	500	3.76
5	One stop shopping	500	3.74
6	Wide variety of Products	500	3.73
7	Knowledgeable Personnel	500	3.72
8	Error free sales transaction & records	500	3.71
9	Modern looking equipment & fixtures	500	3.68
10	Good Ambience	500	3.66
11	Trial Room	500	3.66
12	Suitable Time	500	3.65
13	Convenient Location	500	3.65
14	Easy Layout	500	3.64
15	Parking	500	3.58
16	Waiting time/Check outlines	500	3.57
17	Time saving	500	3.57
18	Proper Display of products	500	3.54
19	Friendly Personnel	500	3.50
20	Attractive in store price Promotion	500	3.50

Table: 11 Reliability Statistics

Cronbach's Alpha	No. of Items
.820	13

Table: 12 KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.831
Bartlett's Test of Sphericity	Approx. Chi-Square	1886.927
	Df	78
	Sig.	.000

Table 13: 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	4.173	32.100	32.100	4.173	32.100	32.100	3.053	23.485	23.485
2	2.014	15.492	47.592	2.014	15.492	47.592	2.713	20.867	44.352
3	1.132	8.711	56.303	1.132	8.711	56.303	1.554	11.950	56.303
4	.945	7.267	63.569						
5	.741	5.702	69.272						
6	.652	5.014	74.286						
7	.624	4.800	79.085						
8	.546	4.202	83.288						
9	.514	3.953	87.241						
10	.474	3.649	90.890						
11	.445	3.423	94.313						
12	.386	2.971	97.284						
13	.353	2.716	100.000						

Extraction Method: Principal Component Analysis.

Table 14: Communalities

	Initial	Extraction
I often buy things spontaneously.	1.000	.814
"Just do it" describes the way I buy things.	1.000	.707
I often buy things without thinking.	1.000	.586
"I see it, I buy it" describes me.	1.000	.582
"Buy now, think about it later" describes me.	1.000	.672
Sometimes I feel like buying things on the spur of the moment.	1.000	.482
I buy things according to how I feel at the moment.	1.000	.391
I carefully plan most of my purchases.	1.000	.521
Sometimes I am a bit reckless about what I buy.	1.000	.415
I always try to buy as per my Plan/List.	1.000	.591
I think twice before buying any product.	1.000	.642
I always buy products as per my requirement.	1.000	.529
Whenever any product is on offer, I immediately buy it.	1.000	.386
Extraction Method: Principal Component Analysis.		

Table: 15 Reproduced Correlations

		1	2	3	4	5	6	7	8	9	10	11	12	13
Reproduced Correlation	1	I often buy things spontaneously.	.814[a]	.712	.340	.153	.112	.213	.154	.089	.076	.037	.193	.057	.090
	2	"Just do it" describes the way I buy things.	.712	.707[a]	.490	.349	.333	.372	.285	.094	.197	.059	.195	.082	.220
	3	I often buy things without thinking.	.340	.490	.586[a]	.559	.586	.512	.401	.052	.318	.051	.116	.075	.351
	4	"I see it, I buy it" describes me.	.153	.349	.559	.582[a]	.624	.519	.421	.069	.357	.085	.114	.103	.386
	5	"Buy now, think about it later" describes me.	.112	.333	.586	.624	.672[a]	.550	.444	.060	.378	.080	.101	.100	.409
	6	Sometimes I feel like buying things on the spur of the moment.	.213	.372	.512	.519	.550	.482[a]	.411	.147	.365	.161	.202	.174	.383
	7	I buy things according to how I feel at the moment.	.154	.285	.401	.421	.444	.411	.391[a]	.261	.386	.284	.315	.285	.383
	8	I carefully plan most of my purchases.	.089	.094	.052	.069	.060	.147	.261	.521[a]	.356	.552	.573	.523	.302
	9	Sometimes I am a bit reckless about what I buy.	.076	.197	.318	.357	.378	.365	.386	.356	.415[a]	.388	.405	.379	.397
	10	I always try to buy as per my Plan/List.	.037	.059	.051	.085	.080	.161	.284	.552	.388	.591[a]	.602	.559	.331
	11	I think twice before buying any product.	.193	.195	.116	.114	.101	.202	.315	.573	.405	.602	.642[a]	.573	.350
	12	I always buy products as per my requirement.	.057	.082	.075	.103	.100	.174	.285	.523	.379	.559	.573	.529[a]	.326
	13	Whenever any product is on offer, I immediately buy it.	.090	.220	.351	.386	.409	.383	.383	.302	.397	.331	.350	.326	.386[a]

Table: 16 Residual^b

Residual^b		1	2	3	4	5	6	7	8	9	10	11	12	13
	1	I often buy things spontaneously.		-.201	-.054	.010	.043	.010	.019	-.014	.065	-.024	-.038	.016	.021
	2	"Just do it" describes the way I buy things.	-.201		-.062	-.003	.004	-.067	-.049	-.007	-.013	.065	-.042	-.010	.060
	3	I often buy things without thinking.	-.054	-.062		-.049	-.099	-.121	-.089	.001	-.013	.032	.038	.034	-.044
	4	"I see it, I buy it" describes me.	.010	-.003	-.049		-.085	-.106	-.117	.009	-.108	.042	.031	.089	-.098
	5	"Buy now, think about it later" describes me.	.043	.004	-.099	-.085		-.081	-.102	.030	-.061	.052	.048	-.032	-.024
	6	Sometimes I feel like buying things on the spur of the moment.	.010	-.067	-.121	-.106	-.081		.044	.054	-.084	-.053	.036	-.016	-.149
	7	I buy things according to how I feel at the moment.	.019	-.049	-.089	-.117	-.102	.044		.060	-.044	-.103	-.032	-.084	-.132
	8	I carefully plan most of my purchases.	-.014	-.007	.001	.009	.030	.054	.060		-.066	-.120	-.121	-.156	-.110
	9	Sometimes I am a bit reckless about what I buy.	.065	-.013	-.013	-.108	-.061	-.084	-.044	-.066		-.049	-.103	-.086	-.038
	10	I always try to buy as per my Plan/List.	-.024	.065	.032	.042	.052	-.053	-.103	-.120	-.049		-.068	-.149	-.022
	11	I think twice before buying any product.	-.038	-.042	.038	.031	.048	.036	-.032	-.121	-.103	-.068		-.070	-.092
	12	I always buy products as per my requirement.	.016	-.010	.034	.089	-.032	-.016	-.084	-.156	-.086	-.149	-.070		.019
	13	Whenever any product is on offer, I immediately buy it.	.021	.060	-.044	-.098	-.024	-.149	-.132	-.110	-.038	-.022	-.092	.019	

Extraction Method: Principal Component Analysis.

a. Reproduced communalities

b. Residuals are computed between observed and reproduced correlations. There are 39 (50.0%) non-redundant residuals with absolute values greater than 0.05.

Table 17: Component Matrix[a]

Component	1	2	3
I often buy things spontaneously.	.386	-.298	.759
"Just do it" describes the way I buy things.	.548	-.385	.508
I often buy things without thinking.	.627	-.438	-.043
"I see it, I buy it" describes me.	.620	-.364	-.256
"Buy now, think about it later" describes me.	.643	-.387	-.331
Sometimes I feel like buying things on the spur of the moment.	.633	-.250	-.139
I buy things according to how I feel at the moment.	.613	-.026	-.120
I carefully plan most of my purchases.	.467	.542	.091
Sometimes I am a bit reckless about what I buy.	.607	.157	-.147
I always try to buy as per my Plan/List.	.494	.588	.029
I think twice before buying any product.	.570	.536	.174
I always buy products as per my requirement.	.494	.533	.033
Whenever any product is on offer, I immediately buy it.	.597	.069	-.158
Extraction Method: Principal Component Analysis.			

a. 3 components extracted.

Table 17: Rotated Component Matrix[a]

	Component		
	1	2	3
I often buy things without thinking.	.698		
"I see it, I buy it" describes me.	.756		
"Buy now, think about it later" describes me.	.818		
Sometimes I feel like buying things on the spur of the moment.	.658		
I buy things according to how I feel at the moment.	.530		
I carefully plan most of my purchases.		.718	
I always try to buy as per my Plan/List.		.764	
I think twice before buying any product.		.781	
I always buy products as per my requirement.		.720	
I often buy things spontaneously.			.896
"Just do it" describes the way I buy things.			.758
Sometimes I am a bit reckless about what I buy.			
Whenever any product is on offer, I immediately buy it.			
Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.			

a. Rotation converged in 5 iterations.

Table 18: Component Transformation Matrix

Component	1	2	3
1	.753	.573	.322
2	-.470	.812	-.347
3	-.460	.110	.881
Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.			

SERVICE QUALITY OF INTERNET BANKING: A STUDY OF PUBLIC AND PRIVATE SECTOR BANKS

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Like other industries, Internet Banking industry in India is also facing changing market conditions and leveraging IT for competitive advantage. In the current global context, IT has become a buzzword for organizations to remain competitive and grow. Although in many of the countries around the world, banking industry has adopted technology aptly at a very high level, the process has been slow in India over the last several years. There is a huge increase in the number of Internet Banking users in past few years as it is advantageous due to different reasons. According to academic and practitioner literature, Internet Banking is a service where measurable benefits accrue to both customers and banks. Which can be explained as, Internet Banking customers get more competitive prices in terms of more favourable interest rates and they are able to carry out transactions without time constraints as compared to branch based customers. The objective of the study is to compare the perception of Internet Banking users of public and private sector on the basis of dimensions of service quality. The objective is also to compare the service quality and its dimensions for different demographic variables like age, gender, internet banking experience and occupation.

INTRODUCTION

The bank can be defined as engaging in the business of keeping money for savings and checking accounts or for exchange or for issuing loans and credit etc. The essential function of a bank is to provide services related to the storing of deposits and the extending of credit. The evolution of banking dates back to the earliest writing, and continues in the present where a bank is a financial institution that provides banking and other financial services. Currently the term bank is generally understood as an institution that holds a banking license.

Internet banking is one of the forms of banking which includes transfer of funds through an exchange of electronic signals between financial institutions, rather than an exchange of cash, cheques or other negotiable instruments. Like other industries, the banking industry in India is also facing changing market conditions and leveraging IT for competitive advantage. In the current global context, IT has become a buzzword for organizations to remain competitive and grow. Although in many of the countries around the world, banking industry has adopted technology aptly at a very high level, the process has been slow in India over the last several years. However, mid-nineties has seen an emergence of new private-sector banks in the country which has changed the scenario drastically. The reason for such a change is a strong IT backbone of the business model of these banks. Their emergence and success over the last decade has put competitive pressure on many of the state-owned banks. These banks are compelled to look at IT as a strategic necessity to remain competitive. However, the extent of the success of the private-sector banks has not been to the same degree, there is a need to examine the strategy and implementation of IT in one of these private-sector banks.

There are various types of banking namely- Home Banking, Online Banking, Investment Banking and Electronic Banking. Home Banking is a way to access bank accounts using phone. In such type of banking customers can transfer funds, pay bills and make account inquiries. Due to computerization of the system, customers have an access to banking services via terminal at their home. They can even perform retail banking

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operations using electronic payment terminals at their home. Online banking or Internet banking enables a customer to perform transactions, payments etc. over the internet through a bank's secure website. Such type of banking is aptly used by the working professionals who are busy with their working schedule and those who are not able to move out of their offices frequently or those who are far from the vicinity of the bank. It has become very useful, especially for banking outside bank hours (which tend to be very short) and banking from anywhere where internet access is available. In most cases a web browser such as Internet Explorer or Mozilla

Firefox is utilised and any normal internet connection is suitable. No special software or hardware is usually needed. Investment banking is a field of banking that helps companies to acquire funds and offers advice for a wide range of transactions a company might engage in. Electronic Banking, a form of banking in which funds are transferred through an exchange of electronic signals between financial institutions, rather than an exchange of cash, checks or other negotiable instruments.

In today's society the use of computers and internet has made life convenient for everyone which has made online banking, as services, more trusted with the increase in its popularity. The most general type of electronic banking is banking using the Internet, in other words Internet banking. Using Internet banking consumers can check the balances in their accounts, transfer funds and order electronic bill payments. Such banking systems allows customers to apply for loans, trade stocks or mutual funds, and even view actual images of their checks or deposit slips. Every bank has its own internet banking services and has become the main channel for electronic banking. It offers various benefits to banks and their customers (Karjaluoto, 2002). The benefits include cost savings, reaching new segments of the population, efficiency, enhancement of the bank's reputation and better customer service and satisfaction (Jayawardhena and Foley, 2000). Internet banking is no longer bound to time or geography with relatively easy access and availability to the accounts is for 24 hours per day, seven days a week. The customers are available with full range of services including some services not offered at branches. Internet banking saves time and money and provides convenience and accessibility (Karjauloto, 2002) as customers are not required to travel all the way from their place to the branch of the bank physically. They can access their account any time and can enjoy more privacy while interacting with their bank. Internet banking offers the customer more benefits at lower costs (Mols, 1998).

With internet banking, consumers are finding financial services more suitable as a result online banking is spreading like wildfire. The United States Federal Deposit Insurance Commission (FDIC, 2005) pointed out that as the use of the internet continues to expand, more banks and thrifts are using the Web to offer products and services and to enhance communication with consumers. Digital banking is getting its place into the industries and individuals everywhere in world. It has become necessary for banks to maintain their online services to the customers to use online banking. As the number of consumers using the internet is likely to expand, banks have to keep up with the demand and provide quality products and services online. Service quality is the manner in which services are provided and it influences the degree of satisfaction with goods or services. So quality of the services provided by the bank will significantly affect the usage of internet banking. Hence it becomes necessary to identify the service quality dimensions involved in usage of internet banking. Present study is an attempt to

LITERATURE REVIEW

There is a huge increase in the number of e-banking users in past few years as it is advantageous due to different reasons. According to academic and practitioner literature, e-banking is a service where measurable benefits accrue to both customers and banks. Which can be explained as, e-banking customers get more competitive prices in terms of more favourable interest rates and they are able to carry out transactions without time constraints as compared to branch based customers. With respect to banks, it has been computed that the cost of an average e-banking transaction is only 10% of the cost of a comparable average branch transaction (Jayawardhena

and Foley 2000). Looking to the benefits, the migration from traditional banking channels to the e-banking channel, in terms of both banks and customers are increasing. At present many e-banking services appear to be characterised by similar offerings (Möls 1998 and 2000). Irrespective of whether the medium or the method of delivery is traditional or it is through internet, it has long been documented that delivering a superior service is a prerequisite for success, if not survival (Parasuraman et al. 1988). Therefore, service quality is becoming an increasingly important differentiator between competing Internet banking service providers.

The measurement of service quality is very important and it is one of the most heavily research constructs in the field of services marketing with notable contributions from Parasuraman et al. (1986, 1988, 1991, 1993, 1994a and 1994b), Cronin and Taylor (1992 and 1994), Brown et al. (1993), Boulding et al. (1993) and by Dabholkar et al. (2000), Joseph et al. (2001), and Jiang et al. (2000). These researches have presented many instruments for measuring service quality in various contexts and service industries, however, Jayawardhena (2004) developed the instrument to measure the customer service quality for services delivered over the Internet. Measuring service quality of e-banking is very important because it is becoming more and more popular and competing banks have limited opportunity to exploit in establishing differentiation (Jayawardhena and Foley 2000). According to Ranganathan and Ganapathy (2002) there lies an opportunity for e-banks to achieve competitive differentiation if they offer a superior quality of service in comparison to their competitors. Even in the case of lack of geographical or other physical constraints associated with e-banking, it may retain customers on the basis of quality of the service delivered (Liao and Cheung 2002). Parasuraman et al. (1988) points out the utility of effective measurement of service quality and reveals that it can be very useful in the allocation of resources and in segmentation of customers.

The conceptualization of service quality is the basic idea for dividing the academic literature on service quality. Early work on service quality by Grönroos (1982); Parasuraman et al. (1985) and (1988) conceptualised it as a disconfirmation process which is based on the rationale that service quality can be measured by taking difference of expectations and perceptions scores. However, various studies (Teas, 1993) have found a poor fit for the disconfirmation model as the model has conceptual, theoretical and measurement problems, it suffers from problems with regard to the measurement of expectations. According to Brown et al. (1993) and Peter et al. (1993), computed difference scores for disconfirmation have problems of reliability, discriminant validity, and variance restriction. Due to these problems, researchers, like Andaleeb and Basu (1994), Mittal and Lassar (1996), are increasingly ignoring expectations completely and measuring perceptions as indicators of service quality and have reported that this approach has resulted in good predictive power of service quality. Even some researchers (Cronin and Taylor 1992) compared the computed difference scores with perceptions and found that perceptions are a superior predicator of service quality than disconfirmation. One more significant advantage in measuring only perception is that the data collection has become much easier as only half of the number of items in a questionnaire is required to be filled.

Earlier, the service quality models (Parasuraman et al. 1988) tended to conceptualise factors related to service quality as components of service quality which failed to capture the effect of the relevant factors as antecedents of service quality and also failed to capture customers' overall evaluations of service quality as a separate, multi-item construct. The issue was addressed by few studies (Dabholkar et al. 1996) and examined overall service quality as composed of multi items. Dabholkar et al. (1996) have revealed that factors related to service quality should be viewed as antecedents of service quality and not as components; it treated dimensions related to service quality as antecedents of service quality.

Jaywardhane (2004) also treated dimensions related to service quality as antecedents of service quality. The scale developed by him gave six dimensions related to service quality, namely, Web interface, interaction, reliability, responsiveness, assurance and empathy. The Web inter-

face, the visual gateway to an e-banking service was perceived to create a favourable perception of service quality upon log-in (the process of accessing the personal account) and subsequent browsing. There was also a need for the banks to provide effective interaction methods and processes through a number channels and provide easy access at all times. The third dimension reliability was intended to check the ability to perform the promised service dependably and accurately. Author has also discussed that the banks had to be responsive to the needs of customers' by responding promptly as and when required. The study also revealed that it was important to offer a perception of assurance that e-banking is a secure channel that customers can conduct their transactions in a confident manner. Finally, the respondents also suggested that the banks had to show empathy towards their customers, particularly by giving the impression that customers are individually cared for, although there may be very little 'human' input in the course of a series of transactions.

Customer's perception regarding internet banking adoption was studied by Safeena et al (2010) and revealed that perceived usefulness, perceived ease of use, consumer awareness and perceived risk were the important determinants of online banking adoption and were considered to be strong and had positive effect on customers to accept online banking system.

Uppal, R.K (2011) studied the growth of information technology in various banks with the objective to analyze the extent of technological developments in various bank groups. The results reveled that as compared to new private sector banks and foreign banks, in public sector banks very less IT had taken place. Rao et al (2011) examined the service quality perceptions of customers of public sector and private sector banks in the city of Visakhapatnam, India and found that the Reliability and Assurance dimensions of service quality scored the highest ratings while the Tangibles dimension got the lowest score. The study also reported that there existed a strong dissimilarity in service quality perceptions between customers of private sector and public sector banks.

Santhiyavalli, G. (2011) determined the customer's perception of service quality of the select branches of State Bank of India and studied the factors responsible for their satisfaction using SERQUAL Model. The results indicated that among five dimensions 'Reliability', 'Responsiveness', 'Empathy' and 'Tangibility' were the major factors responsible for customer satisfaction. Dharmalingam and Kannan (2011) evaluated the service quality in retail banking in the Tamil Nadu, based on different levels of customers' perception regarding service quality. The result indicated that customer perceived tangibles to be more important than the product variety. Bahl (2012) determined that security and privacy issue was the biggest issue in e-banking and if these issues were focused and controlled then the future of electronic banking could be very prosperous. Rahman et al (2012) determined that e-banking was still a new technology in Bangladesh.

The emergence of private sector banks in the country has changed the scenario drastically, as the business model of these banks revolved around a strong IT backbone. Their emergence and success over the last decade has put competitive pressure on public sector banks to look at IT as a strategic necessity to remain competitive. As a result, Internet banking has emerged as a tool of competitiveness. Both public as well as private sector banks are putting efforts to improve the service quality of Internet banking. Thus, a study can be conducted to compare the service quality of Internet banking in both sectors.

OBJECTIVE

The objective of the study is to compare the perception of internet banking users of public and private sector on the basis of dimensions of service quality. The objective is also to compare the service quality and its dimensions for different demographic variables like age, gender, internet banking experience and occupation.

RESEARCH METHODOLOGY

The Study – The study aims to compare the perception of Internet banking users of public and private sector on the basis of dimensions of service quality.

The Sample – Data were collected from 68 respondents in the city Indore of Central India,

who were approached on random basis. Out of which 32 respondents were availing the Internet banking services of public sector bank and 36 were belonging to private sector bank. The sample was consisted of businessmen, professionals, academicians and students. The respondents were in the age range of 19 to 51 years with an average age of 27.97 years. The experience with Internet Banking ranged from 6 months to 10 years with an average experience of 2.18 years. There were 48 male respondents and 20 female respondents.

Tool for Data Collection: For the purpose of data collection a standard scale on service quality developed by Jayawardhena (2004) was used. The instrument had 21 statements describing six dimensions of service quality- web interface, interaction, reliability, responsiveness, assurance and empathy.

Tools for Data Analysis: t test and one way ANOVA was used to analyze the data and the results were derived on the basis of the following hypotheses:

H01 : There is no significant difference between the Internet banking users of public and private sector regarding Web Interface as a dimension of service quality.

H02 : There is no significant difference between the Internet banking users of public and private sector regarding Interaction as a dimension of service quality.

H03 : There is no significant difference between the Internet banking users of public and private sector regarding Reliability as a dimension of service quality.

H04 : There is no significant difference between the Internet banking users of public and private sector regarding Responsiveness as a dimension of service quality.

H05 : There is no significant difference between the Internet banking users of public and private sector regarding Assurance as a dimension of service quality.

H06 : There is no significant difference between the Internet banking users of public and private sector regarding Empathy as a dimen-

sion of service quality.

H07 : There is no significant difference between the Internet banking users of public and private sector regarding Service Quality.

RESULTS AND ANALYSIS

All the hypotheses were not rejected, that shows that there is no significant difference between the Internet banking users of public and private sector regarding service quality as a whole as well as in terms of its dimensions (Table1).

This shows that both public as well private sector banks are putting effort to deliver quality of service to Internet banking users. For detailed analysis of data, demographic variables like age, gender, occupation and internet banking experience have been analyzed with the help of certain statistical tools. It was observed that gender and internet banking experience were not generating any significant difference in the perceptual service quality whereas age and occupation found to be the significant demographic variables affecting dimensions of service quality amongst Internet banking users of public and private sectors banks. It has been found that the dimensions of service quality i.e. web interface, interaction and empathy were significantly different. In case of age, only one dimension i.e. interaction found to be significantly different. (Table 2 to 5)

CONCLUSION

Service quality is an important parameter for any organization and when we think of bank, it becomes more crucial as financial transactions are involved. It can be measured on the basis of varied dimensions. It has been observed that both public sector as well as private sector banks are offering similar level of service quality to its customers relating to Internet banking. However, it has been noted that private sector banks are exercising Information Technology at a higher level. It is because, majority of private sector bank employees are youngsters and well versed with technology. On the other hand, public sector banks are facing problems relating in management of technology, again due to lack of awareness about technology amongst employees.

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Table 1: Two-Mean t-test analysis between Public and Private Sector Bank for Service Quality and its Dimensions

	Group Statistics				
	Sector of Bank	N	Mean Std.	Deviation	t (sig. value)
H01	Public	32	19.1515	4.55605	0.547 (0.586)
	Private	36	18.9744	4.32549	
H02	Public	32	19.5455	4.00851	-0.154 (0.878)
	Private	36	19.8462	4.40418	
H03	Public	32	15.0606	4.04614	-0.854 (0.396)
	Private	36	16.0256	3.57982	
H04	Public	32	7.6061	1.96754	1.136 (0.260)
	Private	36	7.2821	1.66936	
H05	Public	32	7.9697	2.08394	-0.529 (0.599)
	Private	36	8.3077	1.83753	
H06	Public	32	11.5455	2.68201	-0.466(0.643)
	Private	36	11.6410	2.61058	
H07	Public	32	80.7000	17.53450	-0.110 (0.912)
	Private	36	82.0769	15.03747	

Table 2: ANOVA Results for the Variables Occupation and Service Quality along with its Dimensions

ANOVA

		Sum of Squares	df	Mean Square	F	Sig.
Web-Interface	Between Groups	133.047	2	66.523	3.537	.035
	Within Groups	1222.424	65	18.807		
	Total	1355.471	67			
Interaction	Between Groups	188.711	2	94.355	6.055	.004
	Within Groups	1012.818	65	15.582		
	Total	1201.529	67			
Reliability	Between Groups	13.897	2	6.948	.489	.615
	Within Groups	923.324	65	14.205		
	Total	937.221	67			
Responsiveness	Between Groups	4.331	2	2.165	.709	.496
	Within Groups	198.434	65	3.053		
	Total	202.765	67			
Assurance	Between Groups	21.707	2	10.853	2.982	.058
	Within Groups	236.573	65	3.640		
	Total	258.279	67			
Empathy	Between Groups	82.827	2	41.414	6.045	.004
	Within Groups	445.290	65	6.851		
	Total	528.118	67			
Total	Between Groups	1423.172	2	711.586	2.964	.059
	Within Groups	15606.357	65	240.098		
	Total	17029.529	67			

Table 3: Post Hoc test

Multiple Comparisons

Tukey HSD					
Dependent Variable	(I) Occupation	(J) Occupation	Mean Difference (I-J)	Std. Error	Sig.
Web-Interface	Service	Business	-.05128	1.53716	.999
		Student	3.10661*	1.21327	.034
	Business	Service	.05128	1.53716	.999
		Student	3.15789	1.69425	.157
	Student	Service	-3.10661*	1.21327	.034
		Business	-3.15789	1.69425	.157
Interaction	Service	Business	2.55128	1.39918	.170
		Student	3.68286*	1.10437	.004
	Business	Service	-2.55128	1.39918	.170
		Student	1.13158	1.54217	.744
	Student	Service	-3.68286*	1.10437	.004
		Business	-1.13158	1.54217	.744
Empathy	Service	Business	3.22308*	.92775	.003
		Student	.55466	.73227	.730
	Business	Service	-3.22308*	.92775	.003
		Student	-2.66842*	1.02256	.030
	Student	Service	-.55466	.73227	.730
		Business	2.66842*	1.02256	.030
*. The mean difference is significant at the 0.05 level.					

Table 4: Two-Mean t-test Analysis between Two Groups of Internet Banking Experience (Below 3 and Above and equal to 3 years) for Service Quality and its Dimensions

	Group Statistics				
	Internet Banking Experience	N	Mean	S.D.	t (sig. value)
H01: Web Interface	Below 3 years	42	18.52	4.60	-1.32 (0.191)
	Above and equal to 3 years	26	20.00	4.25	
H02: Interaction	Below 3 years	42	19.21	4.31	-0.07 (0.287)
	Above and equal to 3 years	26	20.35	4.10	
H03: Reliability	Below 3 years	42	15.31	4.71	-0.99 (0.327)
	Above and equal to 3 years	26	16.23	3.80	
H04: Responsiveness	Below 3 years	42	7.67	1.59	0.65 (0.520)
	Above and equal to 3 years	26	7.38	1.98	
H05: Assurance	Below 3 years	42	7.74	1.89	-1.99 (0.051)
	Above and equal to 3 years	26	8.69	1.98	
H06: Empathy	Below 3 years	42	11.41	2.73	-0.41 (0.683)
	Above and equal to 3 years	26	11.12	2.97	
H07: Total Service	Below 3 years	42	79.86	15.83	-0.98 (0.329)
	Above and equal to 3 years	26	83.77	16.14	

Table 5: Two-Mean t-test Analysis between Two Age Groups (Below 25 and 25 and Above years) for Service Quality and its Dimensions

	Age group	N	Mean	S.D.	t (sig. value)
	Group Statistics				
H01: Web Interface	Below 25 years	29	18.00	5.04	-1.75 (0.085)
	25 and above years	39	19.90	3.92	
H02: Interaction	Below 25 years	29	19.0	4.57	-2.92** (0.005)
	25 and above years	39	20.87	3.55	
H03: Reliability	Below 25 years	29	15.07	4.11	-1.12 (0.263)
	25 and above years	39	16.10	3.43	
H04: Responsiveness	Below 25 years	29	7.38	1.78	-0.731 (0.467)
	25 and above years	39	7.69	1.72	
H05: Assurance	Below 25 years	29	7.74	2.16	-1.91 (0.061)
	25 and above years	39	8.69	1.73	
H06: Empathy	Below 25 years	29	11.41	2.91	-0.92 (0.362)
	25 and above years	39	11.12	2.73	
H07: Total Service	Below 25 years	29	79.86	17.45	-2.00* (0.050)
	25 and above years	39	83.77	14.08	

Note: * indicates significant at 5% level of significance

               ** indicates significant at 1% level of significance

Table 6: Two-Mean t-test Analysis between Male and Female for Service Quality and its Dimensions

	Group Statistics				
	Gender	N	Mean	S.D.	t (sig. value)
H01: Web Interface	Male	48	18.69	5.07	-1.14 (0.258)
	Female	20	20.05	2.52	
H02: Interaction	Male	48	19.67	4.31	0.59 (0.953)
	Female	20	19.60	4.15	
H03: Reliability	Male	48	15.85	3.80	0.65 (0.515)
	Female	20	15.20	3.65	
H04: Responsiveness	Male	48	7.50	1.97	-0.43 (0.669)
	Female	20	7.70	1.03	
H05: Assurance	Male	48	8.21	2.00	0.68 (0.497)
	Female	20	7.85	1.93	
H06:Empathy	Male	48	11.35	2.93	0.27(0.787)
	Female	20	11.15	2.56	
H07: Total Service	Male	48	81.27	17.42	-0.07 (0.948)
	Female	20	81.55	12.05	

EVALUATION OF 'TRAINING NEED ANALYSIS' IN IT SECTOR COMPANIES OF BENGALURU

H.R. Venkatesha[*] and Anni Arnav[**]

Training is considered as an efficient tool in analyzing the gap amid the existing state and the desired state of skills and efficiency in performing a task or role assigned by the organization. It won't be effective, if the employees are trained always with a pre-decided content for a long time. The need is to work spontaneously in the competitive era. All the companies and entrepreneurs are drawn in training the employees according to their prerequisite and preferences varying from different dimensions and arenas. Training can be successful if the identification of the necessary gap is traced and conceptualized. Information Technology sector is growing swiftly with tremendous changes throughout the decade. It is vital to comprehend the diverse procedures in Training Need Analysis (TNA). It envisages the different aspects of employee skill sets required to perform meticulous job roles and responsibilities. This paper is an endeavor to ascertain the existing TNA procedures and also gather the opinion and feedback from the employees corresponding with the TNA.

INTRODUCTION

Any organization which intends to establish their presence requires a strong hold on the people and their socio-cultural values. Due to the increased globalization of the IT organizations, there has been a second preference treatment in inseminating the concrete requisite for the people oriented approach. One cannot refute the fact of cultural barriers in communication. Many IT organizations look at imparting the training through online and internet technology based trainings with least importance to classroom on trainer based trainings. For example, the behavioral training cannot be effective if the employee does application or software oriented online training tool. When been checked with the employees about the e-learning tool based training, it was revealed that it was easy to complete by just clicking on the next tabs with gapped timings and answer the questions at the end based upon prior knowledge or just click on answers randomly. The same can be more effective if it is offered through a Behavioral Trainer. The trainer can provide very practical examples and relate it to the work situations of the employee which gives considerable knowledge for him/her to carry on the task very efficiently and engage in the situations with the training knowledge. It not only helps the em-

ployee realize practically but also gives a liberty to ask questions and elucidate effectively. The personal feel about the training is felt and could be retained for a long time. The cognitive spirit of the thinking power also plays a very dominant role pertinent to this.

For achieving strategic objectives, Eaglen and Thomas (2000) identified a systematic approach to training at McDonalds. Kraiger (2010) mentions about various measures which are available to help the analysis, interpretation and use of interpersonal style while interacting with others. For the maximum effectiveness it was observed that interpersonal skills training should be logically linked to the assessment instruments, the knowledge and skills associated with using the instrument effectively to analyze and respond to the behaviors of others. Effective training evaluation needs various measures adhering to the set objectives of the training. Acton and Golden (2003) have compared the committed and non-committed firms with reference to the training. According to them the firms which are committed to training got positive impact on the job performance. It also guided the firm to improve the ability of the employees. This also resulted in managing stress at work compared to non-committed firm in training. A study by Lopez (2005) in Spanish companies found one

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of the very important mediators of organizational learning. According to the study, organizational learning was the mediating factor of highly performing human resource and performance.

Gauld and Miller (2004) study focused on effectiveness of trainers with reference to the training investment. The final return on training investment can be only achieved through effective delivery of the training by the effective trainers. Jolles (2005) dealt with the very basic question of the learner in the training programme. Usually the learner would be interested in knowing what he/she would get from the training sessions. It is very essential to make the learners understand the benefits of training programme and how it would make the learner to understand the need. Ashton et.al., (1999) had conducted a skill survey in Britain to examine the skills, people used in work and how they provided an identification of the extent to which the employees training and qualification matched their responsibilities and tasks at work. Aguinis and Kraiger (2009) revealed the literature on needs assessment training design and delivery, training evaluation and transfer of training to identify under the conditions where training and development are maximized.

Blanchard and Thacker (2007) highlighted the important aspects of each training process. Learning can be achieved if the people know what they should focus in the training in the beginning itself. The area of focus was the overreaching model of the training process and its sub-process. This model provides a complete understanding of the logical sequencing of the training activities from needs analysis to implementation and evaluation. The model also gives us an understanding of the training as a system and how its processes are interconnected. Concluding with the output of one phase becomes the input for the next phase in the training.

RATIONAL OF STUDY

During review of literature it has been observed that substantial work hasn't been done in the evaluation of training need analysis in IT sector pertaining to Indian environment and existing scenarios. There are varied circumstances leading to the changes on geographical basis as well as related to the culture. Lot of inputs is taken from the researches and studies abroad which may help partially to connect it to the companies located in India and its context. It's the need of the hour to focus on regional and zonal studies in India to diagnose the defect in Training Need Analysis. The study was based on the employees of IT companies in Bengaluru region which is one of the main locations of Indian IT industry. Many companies operate here serving the entire world with its diverse workforce and talented manpower. The training need analysis plays a vital role in developing the employees to take up the job and contribute maximum to the customer and client satisfaction.

OBJECTIVES

- To identify with various deficiencies in deriving at TNA in IT companies.
- To know the feedback of training effectiveness among the employees and their ability to perform the required task in their roles and responsibilities.

RESEARCH METHODOLOGY

The Study: This study was based on convenient sampling, where Core IT employees were chosen among different IT companies of Bangalore region.

The Sample: The convenience sampling design a form of non-probability sampling has been applied for this study. Questionnaires were administered personally, through e-mail and telephonic interactions.

Tools for Data Collection: This study was conducted through a survey questionnaire with convenience sampling respondents selected among employees. Further, the sources for secondary data included government documents and few researches conducted in other countries and previous researches in India. Total of 50 respondents were chosen with two employees from each company.

Tools for Data Analysis: Data collected were checked for completeness before being analyzed using Statistics tools like Cross tabulations, Pearson Chi-Square Tests, Reliability test with Cronbach's alpha and validity test. This was supplemented by using SPSS statistical tool for analysis and illustration.

RESULT AND ANALYSIS

Results showed that Male and female have not got equal opportunity for training. It is evident that even though the companies are working on empowering the women with more opportunities and responsibilities, still the training for women is not proportionate. Few employees expressed their inability to attend the training in a different geographic location due to inconvenience of travel. In these circumstances male employees were on advantages since they were flexible to travel. There should be an effort from female employees to take up trainings which are required to perform the job effectively in different locations. The preparedness from female employees for such trainings is essential from the training departments of the companies. Male and female employees participating equally in the trainings would eliminate the discrepancy in the performance factors at the job and further in their performance. (Table 1 and 2)

All the methods of training are found effective. The preference among the trainees is in the following order with 1 being highest and 5 being least: classroom training (1), video training (2), internet training (3), outbound training (4) and on-the-job training (5). Employees felt the importance of classroom trainings to be very effective in understanding the conceptual knowledge and process which would lead them to apply in the job for a superior performance. (Table 3)

There was no difference in perception of respondents regarding skills required to perform the job. But, in this they have high preference for realizing the importance of customers need followed by proper communication with the clients. Thus, employees are customer centric and they would stay with customer needs. (Table 4)

The top 5 areas on which the employees need training are presented in the decreasing order: (1) Strategic Planning/Organizational skill, (2) Communication skill, (3) Problem solving, (4) Presentation skills, (5) Stress management. Total of 12 percent respondents expressed their interest to receive further training in strategic plan/organization skills. Employees feel it is very essential to get trained in this area so that they are enough competitive in the job as well as with their competitors. Communication skills are required to understand and respond appropriately to the demand of the clients as well as to interact with others which accounts for 11.3 percent of the total respondents. Thirdly, problem solving has a share of 10 percent of the responses expressing the urge to get trained in the area, so that they are efficient in handling any kind of problems faced during the job and want to equip them with suitable solutions to tackle them appropriately in a given scenario. (Table 5)

Since all the considered parameters are statistically significant at 5% level of significance, it is concluded that all the factors are perceived to be important for being successful at work. However, there is a preference towards emphasizing few activities and they are considered vital. The order of their preference is (1=high preference, 2= lower than 1 and so on): 1- Establishing relation with customers, 2 - Identifying weak areas for self improvement, 3 - Self appraisal and 4 - To be creative at work. (Table 6, 7, 8.1 and 8.2)

CONCLUSION AND SUGGESTIONS

The emotional quotient is very sensitive to classroom training rather than the e-learning tools. Post recession period of 2008 has paved way for a big phenomenon of cost cutting to augment the efficiency of the organizations financial prospects at the cost of employee development. This has also resulted in more dependency on the knowledge management facet than traditional way of sharing information and imparting of training. There have been some awards awarded to the companies in IT sector for managing this unscientific logic of employee initiative trainings rather than external trainings. Employees will feel bored and loose interest if the internal employee trains them. An external trainer with diverse knowledge brings in some seriousness to the programme. Little training can be impacted by the internal employees based on the project or production oriented part. Communication, HR and soft skills should be handled by the external trainers. Many companies confine the outbound trainings due to waste of time in the productivity and escalating costs of the training and development budget. Setting up a facility and research department all alone doesn't serve the intention of training essentials. The reality lies in implementing the initiative with passion and enthusiasm. The ultimate lies

in satisfying the clients or customers by realizing their importance on priority basis.

More female employees should be encouraged to pursue higher education while working in the companies which will empower them to equally compete with the male employees. The educational qualifications are not uniform and even the nature of the job of all the employees. Thus, it is essential that the training plans and sessions are conducted based upon the need analysis of that particular roles and responsibilities which can be effective to fulfill the requirements. Employees prefer classroom and on the job training to be more effective than other methods. It is also suggested that employees dislike the online training tool which they feel often wastage of time and lack interest in it. Companies should conduct the training based upon the need and not to merely satisfy the formal requirements by conducting general trainings. The trainings should be job oriented and leading to customer satisfaction. The employees feel the trainings should be customer centric and not management centric in reality. To enhance this, the employees should be trained in customer service, strategic planning/organizational skills, communication skills, problem solving, presentation skills and stress management.

Most of the companies have also discontinued the practice of imparting training by visiting and subject matter expert external trainers. Instead companies have been giving the initiative to the employees to volunteer them in conducting the trainings by mere PPT's of their work. Added to this the employees are marked on their score card of the completed training to review the performance in performance appraisal cycles. However, training is not a mere parameter of scorecard scheme but an efficient way of developing as a complete skilled professional of the company.

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Table 1: Gender - Whether Previous Training Attended - Cross tabulation

Gender	Whether Previous Training Attended		Total
Count	No	Yes	
Female	4	10	14
Male	13	23	36
Total	17	33	50
	100.00%	100.00%	100.00%

Table 2: Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	.255	1	.613
N of Valid Cases	50		

Table 3: One-Sample Statistics

	Mean	t	df	Test Value = 3		95% Confidence Interval of the Difference	
				Sig. (2-tailed)	Mean Difference	Lower	Upper
ECT	4.6600	17.051	49	.000	1.66000	1.4644	1.8556
EVT	4.2800	10.548	49	.000	1.28000	1.0361	1.5239
EIT	3.9200	6.890	49	.000	.92000	.6517	1.1883
EOT	3.8800	5.755	49	.000	.88000	.5727	1.1873
EOJT	4.7800	30.079	49	.000	1.78000	1.6611	1.8989

Note: ECT-Effectiveness of classroom training, EVT – Effectiveness of video training, Effectiveness of internet training, Effectiveness of outbound training, Effectiveness of on-the-job training.

Table 4: One-Sample Statistics

	Mean	t	df	Test Value = 3		95% Confidence Interval of the Difference	
				Sig. (2-tailed)	Mean Difference	Lower	Upper
RCN	4.8400	35.133	49	.000	1.84000	1.7348	1.9452
EUT	4.6200	23.363	49	.000	1.62000	1.4807	1.7593
PC	4.7000	16.346	49	.000	1.70000	1.4910	1.9090
IS	4.6600	16.361	49	.000	1.66000	1.4561	1.8639

Note: RCN-Realizing the importance of customers needs, EUT - equipped with upgraded technology, PC - proper communication with customer and IS - interpersonal skills.

Table 5: Further Training Need Analysis Frequencies.

		Responses		Percent of Cases
		N	Percent	
Want to receive	Customer Service Skills	10	6.7%	20.0%
further training	Communication Skills	17	11.3%	34.0%
	Problem Solving	15	10.0%	30.0%
	Workplace Ethics	7	4.7%	14.0%
	Conflict Management	9	6.0%	18.0%
	Time Management	9	6.0%	18.0%
	Team Building	11	7.3%	22.0%
	Leadership	12	8.0%	24.0%
	Workplace Violence	3	2.0%	6.0%
	Managerial/Supervisory skills	9	6.0%	18.0%
	Strategic Planning/Organizational skills	18	12.0%	36.0%
	Presentation Skills	14	9.3%	28.0%
	Stress Management	13	8.7%	26.0%
	Cultural Diversity	3	2.0%	6.0%
Total	150	100.0%	300.0%	

a. Dichotomy group tabulated at value 1.

Table 6: Case Processing Summary

		N	%
Cases	Valid	50	100.0
	Excluded[a]	0	.0
	Total	50	100.0

a. List wise deletion based on all variables in the procedure.

Table 7: Reliability Statistics

Cronbach's Alpha	N of Items
.825	9

Note: The Cronbach's alpha value is above 0.5. This ensures the reliability of scale used for data collection.

Table 8.1: One-Sample Statistics

	N	Mean	Std. Deviation	Std. Error Mean
RWC	50	4.7000	.76265	.10785
RWO	50	4.1200	.82413	.11655
SA	50	4.5600	.54060	.07645
CWC	50	4.0800	1.15776	.16373
IWAFSI	50	4.6800	.51270	.07251
CRC	50	4.2400	.91607	.12955
CAW	50	4.5400	.86213	.12192
WII	50	4.4800	.90891	.12854
DIC	50	4.2800	.99057	.14009

Table 8.2: One-Sample Statistics

Test Value = 3

	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
RWC	15.762	49	.000	1.70000	1.4833	1.9167
RWO	9.610	49	.000	1.12000	.8858	1.3542
SA	20.405	49	.000	1.56000	1.4064	1.7136
CWC	6.596	49	.000	1.08000	.7510	1.4090
IWAFSI	23.170	49	.000	1.68000	1.5343	1.8257
CRC	9.571	49	.000	1.24000	.9797	1.5003
CAW	12.631	49	.000	1.54000	1.2950	1.7850
WII	11.514	49	.000	1.48000	1.2217	1.7383
DIC	9.137	49	.000	1.28000	.9985	1.5615

Note:

RWC - Establishing relationship with customers.

RWO - Doing routine work at office.

SA - Self-appraisal.

CWC - Communicating with customers face-to-face.

IWAFSI - Identifying weak areas for self-improvement.

CRC - Have a cordial relationship with the colleague.

CAW - To be creative at work.

WII - Working on innovative ideas.

DIC - Discussing the ideas with colleagues.

PEER VICTIMIZATION IN CHILDREN WITH LEARNING DISABILITIES

Sunita Bist[*] and Manju Gera[**]

This study explored peer victimization in 9- to 11-year-old children with learning disabilities. The sample comprised 790 children, 89 (59 boys, 30 girls) of them werechildren with learning disabilities randomly selected from the various government and private schools of Chandigarh. Descriptive survey method of research was employed to conduct the research. Result of the study revealed that children with learning disabilities had higher overall rates of victimization by peers.No significant difference exists between male student with learning disabilities and female student with learning disabilities on peer victimization and its dimensions namely verbal victimization, social manipulation and attack on property. But differ significantly on dimension of physical victimization. Male students reported high rate of physical victimization as compared to female students. The study has useful implication, it suggested that different remedial strategies and intervention programme need to be adopted to stop peer victimization, because bullying normally occurs in social environment and children spent their maximum time in school.

INTRODUCTION

Every child is valuable, needs to be carefully nurtured and lovingly treated to be able to develop their fullest capabilities. Every child develops at his own pace. Some of them are brilliant others are less talented. Some have physical disability other may be emotionally disturbed or not able to adjust. Essential skills for a child are learning to read and write. In spite of having average or above average intelligence, many children exhibit poor performance in academics. Inability of children to learn not only affects their curricular areas but also personal, social, self-esteem and adjustment areas (Rozario 1991). Due to this children often experience frustration, exhibit low tolerance for frustration, and face difficulty in making decisions, poor adjustments with peers (Brooks, 2001) and have low self-esteem, develop emotional problems because of frequent failures (Lyon 2000). Such characteristics of children are called 'Learning Disabilities'. It refers to retardation in the processes of speech, language, perception, reading, spelling, and arithmetic (Kirk, 1968). This means, if a child's intellectual disability is much higher as compared to his or her educational performance, then child is diagnosed with a learning disability.

Learning disabilities affect many parts of a person's life like school work, daily routines, family life, and sometimes relationships and even play. One of the most problematic behaviour found commonly in school is peer victimization. Evidences indicate that peer victimization occurs at a rate of 2.4 cases per hour (Atlas, et.al., 1998) and a total of 10–20 percent of youth being purposefully harassed (Olweus, 1994). Peer victimization is the illegitimate exercise of power by one person over another. It might comprise threats of violence or actual physical intimidation. In a study conducted by Kavale and Forness (1996) explained that children with learning disabilities are found to be more peer excluded, lower social status, less supportive and have few friends. They found that children with learning disabilities are low in social capabilities. Due to this their peers do not select them as friends. Research studies examined that children with Learning Disorder (LDs) are at more risk of peer victimization as compared to their non-LDs peer (Baumeister, et.al., 2008; Grills and Ollendick 2002; Saylor and Leach, 2009). Peer victimization is correlated to many other negative consequences. So it is necessary to find the nature of peer victimization in children with learning disability. It is linked with very serious problem like

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anxiety, depression, school drop outs, social problems, drug user, and school violence and in severe cases it leads to death of victims. Due to these reasons children become less adjusting person and ultimately socially not accepted (Hawker and Boulton, 2000).

As peer victimization develops psychological adjustment problems which further leads to children's peer rejection and victimization (Rudolph, et.al., 2007). Studies found that depressive symptoms, anxiety, conduct disorder (Kumpulainen et al., 1999) lack of inspiration, drowsiness, excessive irritability increase peer victimization (Hodges, et.al., 1997; Little and Garber, 1993). In the present study the researcher try to investigate the verbal, social, physical, social manipulation, attack on property and the total peer victimization of boys and girls with learning disabilities studying in 3ʳᵈ and 4ᵗʰclass.

OBJECTIVES OF THE STUDY

To find and compare peer victimization of children with respect to their gender.

HYPOTHESES

To test the null hypothesis $H_0 1$: There is no significant difference between male and female students with learning disabilities on peer victimization and its dimensions viz.:

$H_0 1.1$: Verbal victimization (VV)

$H_0 1.2$: Physical victimization (Ph.V)

$H_0 1.3$: Social manipulation (SM)

$H_0 1.4$: Attack on property (AP)

RESEARCH METHODOLOGY

The Study: The present study is descriptive survey research intended to assess the peer victimization of the students with learning disabilities.

Tools for Data Collection: Primary data was used for the purpose of the study. In this study, purposive sampling is used to select children. At the initial stage, investigator prepared a sector wise list of Government and private school of Chandigarh out of which 5 schools is selected randomly for the permission of data collection. For the purpose study initial sample comprised of 790 children randomly selected from the various government and private schools of Chandigarh. The age of the students ranged between 8 and 9 years. Firstly with the help of their class teacher children with learning disabilities were identified in a particular class by administering teacher referral form and then from 122 referred cases, children with learning disabilities were identified with the help of Diagnostic test of Learning Disability by Swarup and Mehta (2005) and their IQ was measured by administering Indian adaptation of WISC Malin. Hence 89 students were considered as final sample. Thus, only 89 students between the ages of 8 to 11 years from III & IV grades were identified with learning disabilities. These were included in the final sample. Details of final sample are given below in table 1. Its pictorial form is given in figure 1.
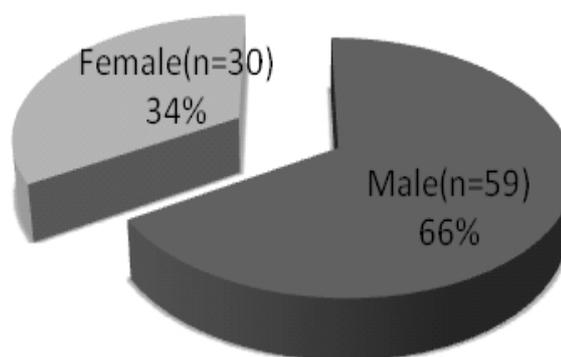
Figure 1: Gender wise distribution of the Final Sample (Grade III & IV, n=89)

Table 1represents the grade and gender wise distribution of final sample of students with learning disabilities. The number of male students in grade III was 19 and in grade IV was 40. Their percentages were 55.88 and 72.73 respectively. The number of female students in grade III was 15 and in grade IV was 15. Their percentages were 44.12 and 27.27 respectively. Thus, final sample comprised of 89 students with learning disabilities (LD) and 89 students without learning disabilities (Normal students, NLD) of III and IV class. In order to assess peer victimization, Peer Victimization Scale developed by the investigator was administered.

Tools for Data Analysis: Arithmetic mean and t-test were used to analyse the data.

ANALYSIS AND INTERPRETATION

The obtained data were analysed in terms of t-test. The analysis of data and their interpretations are presented below:
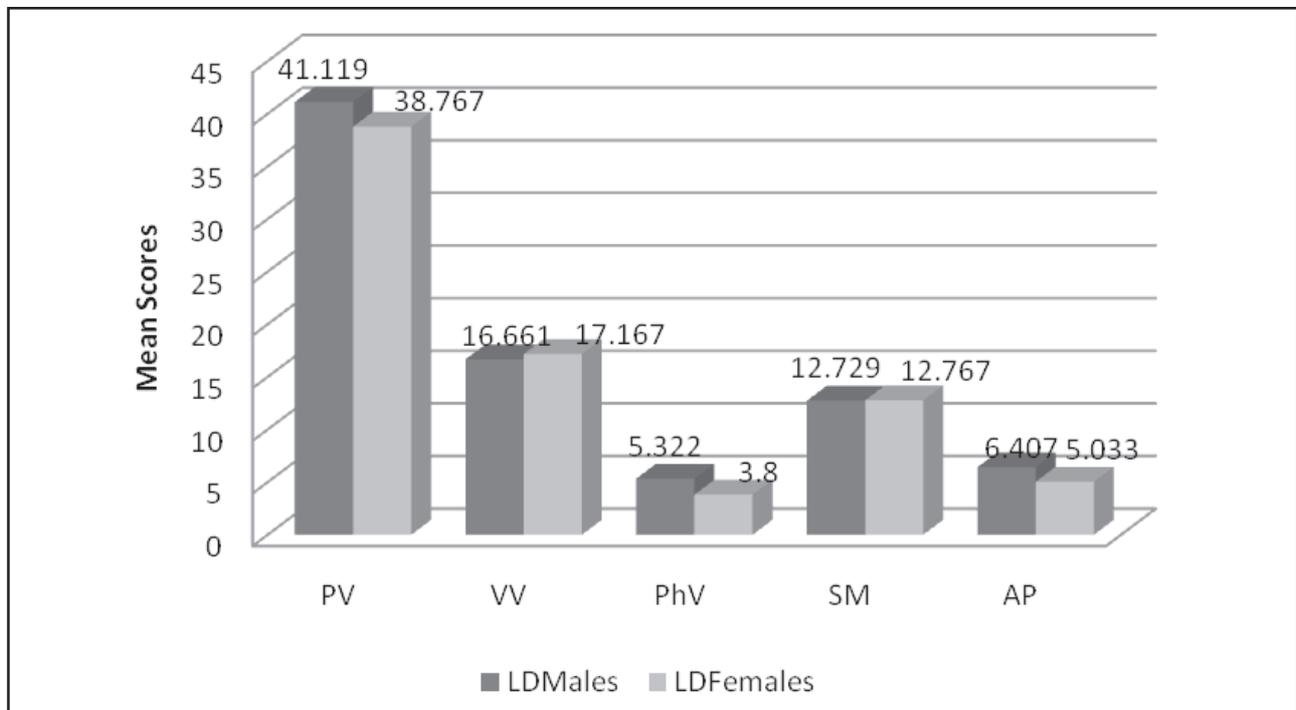
Figure 2 Mean scores of peer victimization (PV) for LD $_{Males}$ (N=59) and LD $_{Females}$ (N=30); df=87

Table 2 gives the mean scores, standard deviation and t-values on the variable peer victimization (PV) along with its dimensions [viz. verbal victimization (VV), physical victimization (PhV), social manipulation (SM) and attack on property (AP)]for the sample of with learning disabilities male students LD_{Males}=59 and with learning disabilities female students $LD_{Females}$=30. Table shows that the mean score of LD_{Males} were 41.119, 16.661, 5.322, 12.729 and 6.407 and mean scores of $LD_{Females}$ were 38.767, 17.167, 3.800, 12.767 and 5.033 on peer victimization(PV) along with its dimensions [viz. verbal victimization(VV), physical victimization (PhV), social manipulation (SM) and attack on property (AP)]. The corresponding standard deviation values for LD_{Males} were 15.8952, 7.8490, 2.1611, 5.5018 and 3.3586 and standard deviation values for $LD_{Females}$ were 13.9523, 6.9733, 1.8644, 5.1306 and 2.5795 The t-values were 0.687, 0.298, 3.284, 0.031 and 1.963 for peer victimization (PV) along with its dimen-

sions [viz. verbal victimization (VV), physical victimization (PhV), social manipulation (SM) and attack on property (AP)] respectively. The t-values for peer victimization (PV), verbal victimization (VV), social manipulation (SM) and attack on property (AP) were not significant whereas, it was significant at 0.01 level of confidence on physical victimization (PhV).

Thus, it can be inferred that no significant difference exists between LD_{males} and $LD_{females}$ in respect of their peer victimization (PV), verbal victimization (VV) and social manipulation (SM) and attack on property (AP) whereas, it differ significantly with respect to their physical victimization (PhV). The result of the study is in accordance with the study of Rueger and Jenkins (2014), according to which boys reported higher levels of physical victimization. Boys encounter overt forms of victimization whereas, girls experiences relational forms of victimization (Berntson, 2003). Hence, the null hypothesis $H_0 1$:

There is no significant difference between male and female students with learning disabilitieson peer victimization along with its dimensions verbal victimization (VV) and social manipulation (SM) and attack on property (AP)was accepted except on physical victimization (PhV) which was rejected.

CONCLUSION

Children with learning disabilities are at greater risk of victimization. They receive negative peer nomination as compared to their comparison group. Victimization or bullying make the child feel unsafe in school and generally parents, teachers and school administrators are unaware of extent of problem created by the aggression of bully. Peer victimization is serious problem. Involvement in bullying not only effects the adjustment of victims but also it affects bullies, victims or bully-victim. They reported greater health problems and poorer emotional and social adjustment as compared to non-involved children. It is matter of concern for psychologist, counsellors, educationists, parents and mental health personnel. So all community members' students, teachers, parents, law enforcers, counsellors and administrator must join hand in improving school environment by reducing school violence and all the intervention will work only when children themselves will exercise control in social situations. They should be trained to exercise self-control in all situations.

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Table 1: Grade and Gender-wise Distribution of Final Sample

S. No.	Grade	No. of Male Students	Percentage	No of female students	Percentage	No of referred cases	Percentage
1	III	19	55.88	15	44.12	34	38.20
2	IV	40	72.73	15	27.27	55	61.80
3	Total	59	66.29	30	33.71	89	100.00

Table 2: Mean Standard Deviation and t-values on Peer Victimization (PV) for LD_{Males} (N=59) and $LD_{Females}$ (N=30); df=87

Variable	LD_{Males}		$LD_{Females}$		t
	Mean	SD	Mean	SD	
PV	41.119	15.8952	38.767	13.9523	0.687
VV	16.661	7.8490	17.167	6.9733	0.298
PhV	5.322	2.1611	3.800	1.8644	3.284**
SM	12.729	5.5018	12.767	5.1306	0.031
AP	6.407	3.3586	5.033	2.5795	1.963

** at 0.01 level, * at 0.05 level of significance

A STEP TOWARDS BIG CAUSE*

Founded in the year 1943 as a steel trading company, Jany entered into automotive manufacturing in 1945 to bring the iconic Milly Jeep onto Indian roads. Over the years, Jany diversified into many new businesses in order to better meet the needs of their customers. Jany followed a unique business model of creating empowered companies that enjoyed the best of entrepreneurial independence and Group-wide synergies. This principle had led their growth into a US $17.9 billion multinational group with more than 185,000 employees in over 90 countries across the globe.

Today, Jany operate in key industries that drive economic growth and cherish leadership positions in tractors, utility vehicles, information technology and vacation ownership. They also had great presence in aerospace, agribusiness, automotive, components, consulting services, defense, energy, financial services, industrial equipment, logistics, real estate, retail, and two wheelers. The pillar of their success rest on their philosophy of sustainable growth which include People, Planet and Profit as major determinants and measured by 54 Global Reporting Indicators (GRI) for sustainability.

In many parts of India, the birth of a baby girl is not welcomed wholeheartedly. Abandoning them at birth or marrying them off as children is common practice. Looked upon as huge economic burden, even many families do not teach them properly and term them as social and family burden for future. Government of India statistics revealed that only 3 out of 10 girls complete their education upto class 10. In relation to enrolment rates of girls, dropout levels had been alarmingly high in recent past. At primary school level, over 45 percent of girls dropout of school and this increases to over 73 percent by the time the child has reached class 10. Research indicated reasons for this dropout might be their inability to afford a school dress/uniform and could also include more complex factors like girls taking on the responsibility of household chores at a very young age as a result of gender stereotyping.

In view of social injustice and inhuman behavior meted out to baby girls; some of the corporate, NGOs and government agencies initiated many program to safeguard the baby girl interests. One such major initiative was also taken up by Jany Education trust in 1997 as Project Baby Buds, with the aim of providing primary education to underprivileged girl children in India. In parallel with their innovative business practices Jany also initiated this project as responsible move to girls social upliftment with enthusiasm, dedication and corporate social responsibility.

Andy Jany, the current chairman of Jany & Jany Ltd. when he founded Project Baby Buds he had a strong belief that "educated women would not only contribute to the economy but also issues of population and social evils like the dowry system and child marriage would reduce as more women are educated." Even the World Bank has acknowledged that "there is no investment more effective for achieving the millennium development goals than educating girls." Apart from the objective of impacting the nation's development through education of the girl child, Mr. Jany also wanted to encourage Indians to 'give back' in a focused manner. Hence, Project Baby Buds was designed as a sponsorship support programme which allowed individuals to participate and support the education of a girl child in India.

Since 2006, Project Baby Buds was jointly managed by the Jany Education Trust and Naandi Foundation. The project provided academic, material and social support that allowed a girl child to access quality education, attend school with dignity and reduced the chances of her dropping out. Project Baby Buds was working with 21 NGO implementation partners at the grassroot level to ensure that the Baby Buds receive academic, material support and social support. Some of the NGOs Partners like Anmol Foundation, Hamarijyoti Charitable Trust

(Delhi & Gwalior), Kalpanalaya, Tasnema Charitable Trust, Ashraya, Bal-jeevan trust, Bhagya Charitable Trust, Shalim Baalak Trust etc. had also pledged to share hands of support in

this noble initiatives. The Jany Education Trust regularly monitored the NGOs by giving technical inputs wherever required to ensure that quality education was being imparted to all the Baby Buds (for girl child).

The project admited girls based on multiple criteria including enrollment in government schools, family income, parents' educational background, social background and the child's aptitude. A comprehensive sponsorship was generated by taking care of a sequence of their educational requirements, providing them both academic support and material support including uniforms, school bags, shoes, socks etc. to enable the girl child to go to school with dignity. The material kit was handed over to each child at invocation ceremony. The inducted Baby Buds received academic support of 1-2 hour class conducted pre or post school hours known as the Academic Support Centre, where concepts in Maths, Science and Language were being taught to bridge the gaps in learning and matching specific competency levels. The teaching methodology included innovative teaching tools and activities such as storytelling, group games, etc. The team of Baby Buds worked in association with parents and the community to sensitize them on gender equity, the significance of education. The entire efforts is to ensure that the Babies do not drop out of school.

Anybody in Project Baby Buds can sponsor the education of an underprivileged girl child. Anyone could sponsor a Baby Buds from primary school to secondary school i.e., for class 1-5 at just Rs. 2100/annum and at Rs. 2600/annum for those who were studying in class 6-10. The person who support the Baby Buds would receive the photograph, profile and progress report and sponsorers were updated on how she was performing in both academics as well as extracurricular activities. Even organizational employees supported financially and they assessed the progress satisfactory for their hard earned money invested for noble cause.

In 2000 more than thosand Babies were supported and fifteen partner NGOs signed up for Project Baby Buds. In the year 2004 approximate 3100 Babies were benefittted. In 2005 Jany Education Trust in partnership with Naandi Foundation jointly managed Project Baby Buds and extended support to girls till 10th standard.

In the year 2006 Project Baby Buds reached to over 13,000 Babies Donations and Project Baby Buds crossed INR 1 crore rupees. In 2007 Project Baby Buds supported over 33,000 Babies; which was more than double in comparison to 13,000 Babies in 2005. In the year 2010 Project Baby Buds crossed the number 60,000 and reached out to over 54,000 babies. Donations received for Project Baby Buds crossed INR 10 crore rupees. In 2012 Project Baby Buds supported 74,383 babies and Individual donors support reached the 6000 donors. Corporate donor support reached the 300 mark.

Jany Education trust ensured 1 percent contribution of total profit to this endeavour. The Baby Buds project's success also signifies that it attained its objectives with fullest satisfaction indeed. A balsarpanch and one of the toppers in the class V board examination in Chhattisgarh, Guleshwari Panika, who hailed from Putterwahi village in Kanker district, was one industrious girl who through sheer hard work had prevailed over the challenges posed by the poor economic condition of her family.

Guleshwari was from a poor six member agricultural family, including her father Shravan Ram Panika, mother Puspa Bai and younger brother who was in class III. Guleshwari's father, who was the only earning member of the family, was a farmer who earned a meagre income due in part to the hilly terrain, which makes farming difficult. Though both Guleshwari's father and mother, who themselves had received education till class X and class V respectively, had always wanted to secure good education for their children but their precarious economic situation made it difficult for them to accomplish this.

Baby Buds project made it possible for Guleshwari . Under this project Guleshwari attended classes regularly (she had attended 90 percent of the classes) and worked enthusiastically which was reflected in the results she had achieved. She scored around 98 percent in her class V board exam and was one of the toppers in her district and significantly was determined to continue her good performance in the future as well. Apart from academics, she was also an

active participant in the 'bal panchayat' and is currently the 'bal sarpanch'.

Her teachers used to praise her a lot. One of them said, Guleswari was a very promising student. She always maintained discipline be it in the classroom or the Academic Support Centre. The parents of the baby girl too were determined to educate their daughter and appreciate the role played by the Project Baby Buds in helping them to achieve their dream. The material support provided by the Baby Buds project helped a lot in reducing the financial burden related to education and the tuition classes have helped her [Guleshwari] in securing good marks they remarked.

Guleshwari on her part wanted to acquire a master's degree and wanted to become a teacher.

Questions

1. Do you think that Corporate Social Responsibility (CSR) initiatives like "Baby Buds" can help in transforming the life of girl child from under priviledged society?

2. What are your suggestions to spread Project-Baby Buds and how as a human being you ensure active participation with the project?

3. How far this project has helped in attaining the Jany's objective of CSR? Comment.

AN INNOVATIVE MARKETER – LOOKING FOR NEW HORIZONS[*]

Mr. Gulati, a postgraduate in Management, instead of joining a company for employment, wanted to do something on his own to make a mark for himself. He started 'Off-Tech India' in 1992 in Central India with an initial investment of 40,000 rupees, which he took loan from a bank, to manufacture printing machine. The first machine manufactured was under the brand name *Agile.* It was a versatile, simple, friendly mini-offset which produces clean and crisp copies. Agile gave the printers quality and speed of a printer at the cost of the copier. Till 2000 the company focused on this product as Agile was successful.

At the dawn of the twenty first century, Mr. Gulati started contemplating to enlarge his product portfolio. From then onwards the company concentrated in introducing new models of printing machines. Between 2000 and 2008 Off-Tech India launched Excel range of offset printing machines: Excel-10, Excel-20, and Excel-22. The business was going smooth till 2009. By 2009

there was change in printing technology. Digitalisation of offset printing machines started happening and along with ease in importing second hand printing machines from Germany as they were better than Indian Printing machines, led to drop in the sales chart of Off-Tech India for the first time. The drop was so severe that the sales plummeted to 25 percent of the previous financial year.

This trend made Mr. Gulati think of a German tie-up as the German based machinery was known for its superior technology. He and his technical team visited Germany to understand and finalise the tie-up. They visited Germany twice but could not crack the deal as it was not coming economically viable. During this time, i.e., 2009-10, Indian retail was shifting from conventional *kirana* store culture to mall culture. This increased the demand of poly-shopping bags. While studying the market, Mr. Gulati found that there were many players offering printing in large quantities, but the smaller businesses were

finding it difficult to order smaller quantities. Thus, Mr. Gulati thought of extending his product line. He saw the opportunity and launched *Ultra Poly* offset printing machine, a fully automatic polythene printing machine. The machine was attached with Anti-Static System, Ultra UV Drying Unit and Automatic Cut-Off System. It was a single lever, single man operated machine. Again Mr. Gulati created a winner.

But this success lasted for a very short time. Due to excessive use of polythene bags and they being environmentally unfriendly, the Supreme Court put a ban on using poly-bags. This ban made retailers, who were the biggest user of poly-bags started shifting to other formats like paper bags, jute bags, etc. This affected the sale of Ultra-Poly negatively. The printers became apprehensive in investing a large amount of money to buy poly printing machine fearing that the ban could become a complete ban and they will not get any polythene printing jobs.

Again Mr. Gulati had to plan strategy to combat with the current situation. He again scanned the market for newer opportunities. He observed that there was a major growth of offices in his town. As offices were mushrooming all over the town there was demand for water dispensers and tea-coffee vending machines. This made him diversify his product portfolio to a new product line, viz. *Café Pleasure*. In 2010, he launched two products in this line; one a hot-cold water dispenser with inbuilt stirrer and second automatic tea-coffee vending machine. As always the major emphasis was given by him to give the quality product. Both these products were immediate success. The success of the machines drew Mr. Gulati into manufacturing of tea and coffee premixes. They started providing premixes for both hot and cold beverages, namely coffee, hot chocolate, masala tea, ginger tea, lemon tea, cardamom tea, lemon grass tea, nimbu pani and tomato soup. Mr. Gulati at this juncture got ISO 22000:2005 certification.

Mr. Gulati was enjoying the stint of success with consumables. He was totally involved in providing quality premixes, the result of which was he gave so many variety of premixes in such a short time. However, it did not last for a long. Off-Tech India had to withdraw from manufacturing of these premixes due to new Food Bill passed by Central Government on August 6th,2011. This Bill instead of helping the small and medium scale industry made the system more bureaucratic. Earlier it was under the custody of court to decide but after the Bill this onus went to the food inspectors. This made difficult for him to manufacture and market packaged food products. He never had many problems selling his machines nationally as well as internationally, but due to this bill it became very difficult for him to sell these premixes outside Indore market.

Thus, Mr. Gulati, decided to continue manufacture machines, rather to venture into consumables. The result was his sales of *Café Pleasure* product line increased substantially. Besides selling, his dispensers and vending machines to shops, small businesses and homes, he also started selling them as OEM sales. In a single sale Off-Tech India sold 300 tea-coffee vending machines to Lipton and was expected to get continuous orders from them.

But his printing machines sales were declining continuously. Mr. Gulati realised that the future of his range of printing machines was limited. So he started planning to expand his product portfolio. During the time Mr. Gulati was going through environmental laws to understand the future of his polythene printing machine, he read that there was a ban in using red-bricks because for making them the upper layer of the soil is used which reduces the fertility of the soil besides polluting the air through smokes of brick kilns. He pursued this subject and found out that the substitute of red-bricks would be bricks made from fly-ash. Looking to this they took a strategic decision to enter in the manufacturing of machines for real estate sector as this sector showed a remarkable growth in 2011.There was an influx of malls and hyper markets besides the construction of high-rise apartments and colonies were in progress.

In 2011 Mr. Gulati launched Excel range of Fly Ash Machines. It was made available in two models, Excel-6 (making 6 bricks per strokes) and Excel-10 (making 10 bricks per stroke). As the construction business was at its peak, his machines had to go through a very short introductory phase. The success of these machines in the

local market prompted him to go nationally and internationally. He started getting orders for his fly-ash machines from Assam, Chennai, Nasik, and Nepal. All these successes came through due to the policy of giving value-for-money machines.

Mr Gulati always gave importance to the quality of his products. He believed that products speaks for themselves and promote themselves. His current clients became his advocators and gave him prospective. He used advertising and direct marketing as his tools for promotion. As the nature of the business was mostly B2B his print media advertising was restricted to industrial journals and trade magazines related to his product categories. As for direct marketing, he had created a 4-page fortnightly news letter called 'Off-Tech News'. This newsletter was sent to all his current and prospective customers bringing them up-to-date about happenings related to the field of his product profile. For ex-

ample, when he wanted to send details about his fly-ash machines the news-letter would consist of articles and news regarding the use of fly-ash finish bricks, stories and testimonials regarding advantages of using these bricks and then on the last page he would put advertisement of his machines. Beside, these two promotional activities he also gaves demonstration but at a low key.

Mr Gulati wanted to increase the span of this product line in vertical direction with different construction and building equipments as he thought that real-estate industry growth would not die in another ten years, so the demand of related products to this sector would not go down.

Question

As a marketing consultant do you agree to the line of thought of Mr. Gulati, what would you suggest him to improve his product mix?

FAREWELL VS WELFARE*

Karnawat Brothers Limited (KBL) is the flagship company of the $ 2.1 billion Karnawat group. Established in 1888 and incorporated in 1920, KBL is known as India's leading and innovative solutions provider in hydraulic machines and systems. It started its business with manufacturing small pumps. In the early beginning of 90's and due to the introduction of liberalization of Indian economy KBL- Dewas also thought of transforming the manufacturing processes for meeting the requirement of market and facing the challenges of emerging competitors. The trigger point was their vision of to be known globally as a reliable, innovative and cost effective solution provider in hydraulic machines and system.

STRATEGIES ADOPTED

While embarking journey towards achieving the Vision and Mission, a detailed study of manufacturing operations were done to identify the opportunities for improvement and a significant

scope was observed for improving productivity. Accordingly, it was decided to implement the MOST (Maynard Operation Sequence Technique) technique for productivity measurement at Dewas. Accordingly, a team was formed under the mentorship of Mr. K.M.Maheshwari. The team comprised of the then Manufacturing Head – Mr. Sunder Shrivastava, HR Head- Mr. Animesh Malik and Production Head- Mr. Inder Vora. They formed the strategy and accordingly objectives were discussed in the APEX level Joint Development Committee having equal representation by the management and workers, and unanimously a consensus was formed that for the growth of the organization all the critical issues are necessarily required to be addressed. Workers representatives had also given their written commitment for extending the support in all the developmental and improvement initiatives.

Going forward, it was decided to implement MOST as productivity measurement tool and Shri Ashok Barve, License holder of MOST - Mahindra & Mahindra was engaged for study, formulation and training of MOST in KBL – DEWAS. A two days awareness workshop was conducted for 40 manufacturing engineers and representatives of Union on Aug'04. This was followed by an assessors training where 10 manufacturing engineers qualified the examinations.

Strategic Approach Implementation:

HR, Production, Manufacturing and Engineering functions took the lead in developing the approach based on strategic decisions. All the inputs of experts and take aways of visiting team considered vital to formulate the approach.

1. HR function was made responsible to take union into confidence and further the union to communicate all the operators, the benefits and develop the clarity of MOST implementation by projecting a win-win situation for both management and workmen.

2. Manufacturing Engineering function was assigned the responsibility for conducting the study in consultation with experts of MOST and finalize the productivity norms for various production cells.

3. Manufacturing function was made responsible for implementation of productivity norms as per MOST in various production cells.

4. A process with responsibility matrix derived to implement MOST and consensus was developed among Functional Heads.

An effective training was given to all the bargainable employees of manufacturing shop in presence of their supervisors, on what is MOST, how it will be implemented and its working in August 2005. This was followed by validation of process and activities by production engineers, where all the shopfloor engineers prepared SWCC and detailed workplace layouts and verified each and every aspect of work content in Hindi.

As a part of strategy for the old and sick employees a Golden Handshake Scheme was introduced and around 170 workmen were departed with smile under the scheme. The roadmap of MOST was prepared, discussed in several brainstorming sessions and according to which following initiatives were taken up which included demanding 480 minutes of effective working; change in existing Cadre Scheme and abolition of CPIS scheme. In this process of change, the Labour commissioner's Office was also included.

All the workmen (300 and above) were trained in batches for 6 months to create awareness and common understanding on MOST. The selected group of 31 best learners of most technique were provided with due recognition and facilitation for Moral Re-armament at Asia Plateau, Panchgani (March, 2006).

A Common address by SBG Head and Mentor on achievement of targets set in AOP 05-06 was given along with future strategy for MOST implementation on April 2006. Then the workers were involved in verification, re-verification and validation of productivity targets on the basis of MOST study. Endorsement in writing by the President of Representative Union was as Settlement of Agreement with the change and enhanced productivity target on October 2006.

November, 2006 saw the commencement of the MOST technique in KBL, Dewas as per agreement focusing to Effective working time (EWT) of 420 minutes. The HR and IED/ Manufacturing worked jointly for justifying and mentally preparing each workman / supervisor for the content of work (station wise and shift output) product wise in order to implement it successfully in practice. Regular and transparent communication and counseling with fact and logic with operators/opinion makers/union representatives for persuading on declared norms was the essence of effective implementation of MOST. The workers who fulfilled the targets before time were awarded with Early-Bird Awards on the spot. Everyone was provided with achievers and non - achievers by SBG – Head. After investment of a period of almost nine months as per roadmap, the result were visible as production output.

Achievement:

The productivity level raised by 250 percent.

1000 pumps /day in planned way of managing materials and other resources on same lines of production due to MOST. This success story was Shared by APEX Strategic Committee (MCoD)and K-Group companies and recognized by directors of K-Group. KBL- Dewas as a part of recognition and based on significant improvement in productivity was awarded with SLK Excellence award.

After the agreement, people who achieved the production targets (405 minutes) on the very first day were awarded with leather bags and cadbury packets. The supervisors and managers who contributed in the whole process of implementation of MOST were awarded with cash award and appreciation letters. When maximum workmen achieved the production target of 405 minutes, they were awarded with a cash award of Rs. 4,000/- each along with appreciation letters and the non-achievers were given a warning letters. On achievement of production target of 420 minutes, they were awarded with a cash award of Rs. 1,000/- each.

THE ROAD AHEAD

When the next wage revision agreement was due, it was further thought of to reorganize the study of MOST looking to the changes in the process and machine layout etc. Accordingly, a team was formed under the mentorship of then Operations Head- Mr. Aseem Srivastav. The team included, Mr. Nirmal Tiwari- Plant Head, Mr. Animesh Malik- HR Head, Mr. I. H. Vora- Manufacturing Head, Mr. Sanjeev Karandikar- Manufacturing Engg Head, Mr. Basant Grover- Foundry Head, Mr. Arun Modi- Factory Manager, Mr. Manish Vyas – Associate Manager, Manufacturing Engg, Mr. Sanjeev Naik- Manager, Foundry, Mr. Deepesh Thakur- Manager, Manufacturing, Mr. Neeraj Solanki- Manager, Foundry.

A well-defined strategy with systematic deployment plan involving executors and participants through regular monitoring ended with achievement of desired result. MOST technique was implemented first time in 2006 to achieve 420 minutes EWT and in the II phase of MOST has been implemented in 2010 with EWT as 460 minutes. In phase I, productivity level raised by 250 percent and in phase II productivity level increased by 40 percent due to increase in EWT and improvements in layout / processes.

Process Designing and Execution:

Implementation Process was divided in two steps for proper deployment and review for taking corrective action to accomplish the MOST as a project with in the targeted time.

STEP 1 : Preparedness to implement MOST :

1. Identified Consultant for MOST implementation

2. Consultant's feasibility analysis and study for its practical implementation at Shopfloor.

3. The gap analysis was done for one representative product with the MOST (Present v/s MOST)

4. Awareness training on MOST by Experts/ Consultant:

◆ Basic MOST certification training to staff (Line Managers and CFT)

◆ Awareness Programs to all Operators and Supervisors.

STEP 2 : Developing a Road-map to implement MOST :

1. Formation of a CFT (IE/Production/Maint./ Quality/Materials//HR).

2. Developing the Road Map with Consultant for implementation of MOST.

3. Roadmap Approval by APEX Management.

4. Designing Progress Review Mechanism with Consultant.

5. Facilitating to Consultant.

6. Sharing Roadmap with Supervisors, Union and Opinion Makers.

7. Sharing Roadmap Review report with Management (Strategic Committee).

STEP 3 : Action to implement MOST :

1. Video shooting of manufacturing process of representative models

2. Generating MOST Elementary Report in MDAT Software.

3. Generating MOST Elementary Report for selected models in MDAT Software.

4. Validation of Reports by Concerned Supervisors

5. Correction in Reports

6. Validation of Reports by Operators.

7. Correction in Reports

8. Line Balancing and Horizontal Deployment in all lines/product.

9. Final Output Declaration (In terms of Time/ Output)

10. Agreement with Union and Management on EWT and Incentive plan for effective implementation.

STEP 4: Monitoring and Review MOST Implementation:

1. Daily and Weekly Review of Step3 by CFT and Consultant and developing and implementing action plan.

2. Monitoring Output as per MOST by HOD/ IED – Shift/ Daily/Weekly/Monthly/Qtr'ly/ Annual.

3. Analysis of Tangible and Intangible gain (ROI).

4. Training to Supervisors/ Senior Operators by CFT on Monitoring the MOST Output.

Achievement:

 Productivity level raised by 40 percent

Accomplishments:

 Tangible gains-

o Decrease in ERE (Direct workmen) to Own sales as percent

o Increase in VA on own Sales as %

o Cost reduction

o Productivity gain by 2 times

o Increased capacity from 180000 to 400000 numbers/year

o Rise in sales

 Intangible gains-

o Motivation to engineers to change layouts, adapt newer methods and innovation

o No negotiations on productivity on new equipments and processes .

o Change in attitude of the workmen for improving productivity

o Well being of the employees due to financial gains enhancement in social status.

In the same way the productivity enhancement initiatives were taken at Shirwal. Since 2007 the MOST was implemented for 480 EWT and production capacity was increased from per day 80 pumps to 200 pumps per day. The momentum of improvement is still continued and change has been deep rooted in KBL- Dewas and Shirwal as a way of life, keeping in mind the accomplishment of the Vision and Mission of the company.

Corporate Insight

KBL was not as passionate about recapitulating past legacy; but they believed in creating them. They always strived to focus on current industry pulse and worked as per new-age business philosophy i.e., to identify customer's pain area and mollifying it with the correct solution. This was what made them distinguished in their domain and expertise. With strong financials and multi-fold growth in revenue in each quarter they had a consistent track record of creating asset for their associates. They believed in an inclusive growth for all their people including customers and employees. As a responsible organization KBL was equally accountable for its entire product bucket for all kind of environmental and health safety for any individual - be it an employee or an end user. They had all the necessary certifications, product approvals from renowned national and international bodies. Their focus area was not only cost reduction and maintaining competitive edge but also to ensure that the business is sustainable. They liked to plan for balanced growth in a manner that when they achieve their economic targets, they also supported the society and the environment. Finally, they would like to be the most valued and most respected name in the industry while absorbing the modern day competition and challenges that the market poses them from time to time with the most ethical and integrated business module. They hoped that their customers, employees and competitors will encourage them to reach to the next level as they always did in the past. Some of the eth-

ics that they had been following were; compliance of the laws, rules, regulations and KBL policies that apply to their business practices; Relationship with each other, all the stake holders and the community at large in which they operate; conduct business fairly and ethically; enforcement of policies in ethical, transparent and legal manner and promote consistent disciplinary action whenever required; Achieving organizational excellence by nurturing human capital through continual benchmarking and adopting best practices.

The Success Path:

The core businesses of KBL were large infrastructure projects (Water Supply, Power Plants, and Irrigation), Project and Engineered Pumps, Industrial Pumps, Agriculture and Domestic Pumps, Valves, Motors and Hydro turbines. KBL Sales in 2011-2012 exceeded US $ 499.31 Million. KBL was the largest manufacturer and exporter of centrifugal pumps and valves from India. An ISO 9001, 14001 and OHSAS 18001 certified conglomerate, KBL had skilled engineering manpower, technological strength in design and application engineering, state-of-the-art manufacturing facilities including ferrous and non ferrous foundries, which made them the market leader. One of Asia's largest Hydraulic Research Centres with a testing facility to test pumps up to 50,000 m³ / hour (220,150 US GPM), 4500 kW motor (6120 HP) was a part of their infrastructure at the manufacturing location at Karnawatvadi.

Challenges Ahead:

As KBL had already faced variety of problems in terms of HR and production, KBL had to manage workforce for the development of KBL. KBL had to motivate employees so that employees could be retained by the organization. HR Policy needed to be lucrative which could attract outside talented employees and should help them in continuing there for a longer period of time. Production techniques had to be such which could help KBL in producing more products as compared to previous situation. Technology which was obselete needed to be removed off and latest technology needed to be adopted. Looking to the current scenario, KBL also needed identify the potential market to export the products. KBL felt the need to analysis on a regular basis so that production cost could be reduced and management could attain the benefits.

Questions:

1. Analyse the case.

2. Identify the Welfare measures adopted by KBL.

3. What was the role of HR Manager in bringing turnaround.

4. How did KBL convert its Vision, Mission, practices into reality.

5. What was the role of Trade Union in meeting the objectives of KBL.

GROWING AN E-TAILING BUSINESS

Yogeshwari Phatak and R.K. Sharma

In 2012, Sanjay Raheja decided to start off an entrepreneurial business in e-tailing. At that time he was 18 years old and had just completed his first year of engineering college. Being inspired by a friend who was already running an on-line store in Dubai he decided to start his own e-tailing business under the name of Casablanca.

The products that he focused on initially were home linen as cotton product were available at very low cost in India. He decided to sell this in the International markets. He marked up his products by 5-30%. Initially, he tied up with Amazon.com an on-line website which was already very popular because of its adherence to quality and reliability. For this he signed an agreement with Amazon.com deducted 15% of the total cost of product and shipping cost of all products sold through them. This arrangement worked well and despite initial teething prob-

lems related to vendors and Amazon policies regarding sales he managed to develop his business to a reasonable extent in the first couple of years itself. The arrangement with vendors was that he would select items and ask vendors to keep a quantum of 100 ready for dispatch. Once a customer made a purchase on Amazon through their debit or credit card he received an email which he notified to the vendor along with the client details. The vendor directly dispatched the goods to the client through a courier service. In case the client who mostly belonged to US, Canada, UK and Brazil found the product unsatisfactory there was a policy of refund within three months or replacement of the product.

The arrangement worked well as vendors were carefully identified and items pre- selected which were then uploaded on the Amazon site. Initially Sanjay worked with one assistant as the business was small. All complaints received from clients were directly handled by Sanjay over phone or via the email id provided on the Amazon site. As the clients were basically from abroad with time zone differentials Sanjay had to work at night. This created a problem initially as he was also pursuing his engineering degree and balancing his business and studies was difficult. Being a young boy also meant not much time was left for socializing.

The success of the first few years got Sanjay thinking and he started thinking of expanding his business. He developed his own website to sell his products as this saved him the 15% he paid to Amazon besides he felt that it also would help him later on as he would have his own website. Besides this, also started tying up with other online websites to sell his products like sears, isite etc. These sites also had policies similar to Amazon.com. He also started adding more product of linen to his existing basket of products. This posed a new challenge as these products were handmade unlike the machine made products he had supplied earlier. Therefore, he started facing complaints and number of purchase returns increased. To address this problem he appointed few more staff members. The staff he recruited from colleges through campus recruitment were mostly MBA's. The employees had to be smart and net savvy. They also had to be willing to work at night. A few of the staff

he used for quality control checking at the local vendors before dispatch of goods to reduce the customers rejects of hand made products. He also appointed some staff to look after his accounts as he started having problems with his tax returns. The recruitment was not done in a very structured manner and jobs were also not airtight, employees had to multi task. They looked after preparation of product description, uploading data, handling customer emails, placing orders, quality checks etc.

As business grew Sanjay realized that he needed some HR policies in place and he needed to have a more structured organizational structure. Initially, he was working from his home but he decided to buy another premises to give a more professional feel to his business. He also got in a HR consultant who helped him to design HR policies in consultation with his staff. Sanjay being young understood the needs of the young students who he recruited. He paid them well, threw parties for them every month and even took them for vacations every 6 months. He tried to bring in a western work culture to his organization but employee turnover was high due to odd hours. He also could not recruit people at senior level as he felt that the nature of his business warranted secrecy. He was afraid that being an online business anyone who understood his business could easily replicate it.

As a few years had passed he had completed his engineering and decided to dedicate himself completely to his business. He also wanted to expand so he started looking at other products besides home linen. He tied up with a US vendor for a larger number of personal products and found that sales rapidly picked up through Amazon.com. However, this was new water he was treading. The customer's complaints were large and varied. Product once opened if returned was totally unusable due to it being personal products and hygiene and health issues involved. He found that he was unable to cope with the customer phone calls and emails which he handled personally as the number was very large. He had only a few staff members who were already busy with home linen product orders and accounts. He realized he needed staff. The HR policies which had been formulated by him were also put on the back burners as there was

no one to implement and monitor the same.

He was using tally for his accounts but being from a non finance background he was finding it difficult to reconcile his accounts. Vendor payments were another issue. Vendors gave him credit for a month while he had a sales return policy which he offered to his customers was of 3 months. Some goods returned by customers were because of fault of vendor which vendor had to reimburse. Settling the vendors accounts therefore, was becoming an approximation game. The vendor gave credit notes for goods returned by customers if they were vendors fault. These credit notes were then used for future purchases from the vendor. Monitoring all this was becoming a problem. Initially when the business was small Sanjay was maintaining accounts on excel sheets which he understood. In fact on excel he was also able to do some basic data analytics like identification of color of linen most purchased, products most returned vendors products with most returns and so on.

The diversification into the personal hygiene product was making things very complicated and he decided to close down this new product line. The pressure of getting his current business more streamlined, more systematic was upper most in his mind. His vacations were few and far between even his business trips were tense as he had no senior person to look after the day to day functioning of the business in his absence Sanjay was in a situation where his business had taken off but now the scale of operations necessitated a more professional approach.

Questions:

a) Do a SWOT analysis of Sanjay's business.

b) What HR measures would you suggest to him to more efficiently manage his business?

Organizational Structure
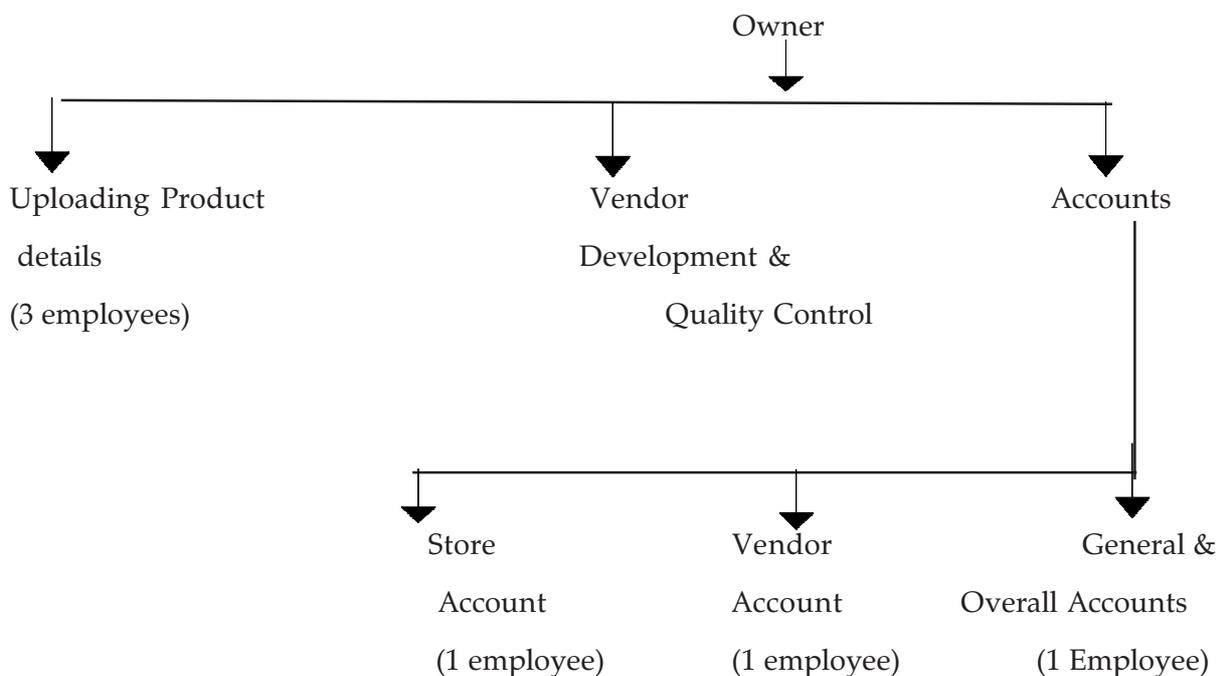
MANAGING INFORMATION SYSTEMS IN BUSINESS, GOVERNMENT AND SOCIETY, By Rahul De (2013), Wiley India Pvt. Ltd., PP 528, Price 599

The role of MIS in every area like business, government and society has become significant and has increased rapidly over last few years. All the important factors which transform the information system from data processing systems to decision support systems have become the foundation of the new business environment. This book is comprehensive and state-of-the-art introduction to the prevention, impediment, revealing and rectifying security violation during information transfer as well as information management through the network and internet. Author has presented articulated skeleton and almost every chapter has been summarized at the beginning and ended by key terms, review questions, further readings and web sites.

Outstanding Features of the Book

Learning objectives and summary has been mentioned in a specific and significant manner. Leading cases has been specified at the beginning of each chapter by drawing attention towards real world problems in a business setting, in government, or in the society. Cases are brief in nature so that reader can grasp the essence of the problem and information system solutions quickly have been mentioned using Information Systems. Each chapter has been started with learning objectives which highlights key features, introduction which provides the major ideas of the chapter in a little paragraph and a mind map in the form of graphical depiction with the purpose of demonstrating process and phenomenon about theme, related concepts, ideas and links.

The entire chapters of the book are ended with glossary and review questions so that reader can summarize all the learning objectives and can answer review questions based on the concepts illustrated throughout the chapters. The research questions have been designed to encourage the readers to explore the topic over and above the covered text by giving further readings. Concepts have been enlightened by real world examples, cases, story and data drawn mainly from the Indian context, illustrated issues and concepts with well structured diagrams as and when required. Objective type questions fill in the blanks and true false have been given in appendix A and chapter wise multiple URL links have been given in appendix B to for the purpose of knowledge enrichment.

Organization of the chapters

The complete book has been organized into 16 chapters under three wide themes named Management Information System and Organizations, Fundamentals of Information Technology and social aspects of Information system. First theme moves around central ideas of information system management which has been categorized into six chapters like organizations and information system by introducing the basic concepts. Second chapter leads on to the different types of Management Information Systems and the types of decisions that are supported by these systems. Third chapter emphasizes on how to use information systems effectively to compete in a competitive environment by discussing importance of digital goods. Fourth and fifth chapter depicts diversified impact of internet based technology i.e., E-commerce, information system management in an organization, role of CIO in dealing with vendors and IT governance. This theme ends by discussing various ethical and social issues of privacy, power of system professionals, workplace monitoring, deskilling and policies etc.

Second theme introduces more technological orientated flavor and illustrates information technology fundamentals by thrashing out concepts of information technology infrastructure i.e., hardware, software, network and services etc with modern solutions such as virtualization and cloud computing. In the eighth chapter internet constitute protocols have been highlighted, ninth and tenth chapters bring to light the threat, challenges and solutions regarding to security of information system as well as information system development cycle. Last three chapters of this theme focus on data management challenges and modern database environment, its design, creation and use, SCM, CRM etc.

Third theme throws light on social aspects of

Information system by illustrating ICT development, its uses, internet technology and their impact on people, society and organizations. This theme finally summarized with the discussion of open source phenomenon and its uses for individuals and organizations.

CONCLUSION

This book offers excellent indulgent clarity, well structured chapters organization and extensive pedagogical support, which includes regimented review queries. The book has been intended for both academic and a professional audience. For academic purpose it is helpful for students of Information Technology, Computer Science and computer engineering as well as management students. Thus this book can serve as a basic reference for college courses as well as professional readers for the learning and increasing their knowledge about management and prospect of information system in current scenario.

Dr. Raksha Chouhan

Faculty, Prestige Institute of Management and Research, Indore.

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