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Dr. Gomathy Thyagarajan*

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- A Study*

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SUMEDHA
Journal of Management

Chief Editor Message

As SUMEDHA Journal of Management its Ninth issue, I would like to reiterate our commitment to bridging the distance the academic world of teachers and researchers and the world of practitioners in the private, the public, the government and the civil society sectors. I look forward to the momentous growth of our Journal, increasing in their appeal, readership and relevance to the fast-changing world of Business Management. During these two years our journal has been critically evaluated by various institutions with similar line of interest and faculty fraternity. We have been consistently seeking advice from experts to continuously improve the quality of the journal. Our journal has been got Impact Factor from Index Copernicus value 5.20 (2012). On behalf of the Management, Editorial Board and Editorial Team, I express my profound gratitude to all our authors, reviewers, readers and patrons for offering their overwhelming support and I anticipate a continued and lively partnership for years to come.

The present issue deals with Consumers' Perception On FDI In Multi - Brand Retailing In India, The Association Between Supply Chain and Profile of Manufacturing Firm, Various Facets of Job and Overall Job Satisfaction of Employees Working in Banks, Consumer Preferences Regarding Selection of Dealer and Mode of Payment, Comparative Physical performance of New Private Sector Banks in India, Impact of Emotional Intelligence on Employee Performance, Empirical Study on the Feasibility and Scope of Shariah- Compliant Financial product in Indian Scenario", Students Perception Towards Management Education, Brand Preferences and Brand Loyalty of Consumers towards Automobiles, A Comparative Study of MGNREGS across 5 Select Populous States in India

All of us recognize the necessity for change, which results in progress. It gives way to new ideas and perspectives reflecting the current and emerging environment, which builds on the solid foundations of the past.

Last but not least valuable would be your response and suggestions on this issue. Kindly send us your views so that we can keep on upgrading our journal.

Thanking you

A Kotishwar
Chief Editor

Consumers' Perception on FDI in Multi-Brand Retailing in India - A Study

- Prof. Dr. G. Y. Shitole*

- Dr. Gomathy Thyagarajan**

Abstract

India liberalised its foreign direct investment (FDI) policy for multi-brand retail to attract international retailers with an intention to bring more investment in to the country and also to encourage the Indian retailers to create competitive advantage by leveraging the resources and capabilities of their supply chain partners. But the Government's decision to allow 51 per cent foreign direct investment (FDI) in multi-brand retail has been a subject of debate for quite some time now as different stakeholders have different opinions based on their perception of the likely impact of the policy. The present study is a small attempt in this direction which aims to analyse the norms of the policy and its implications. This paper also examines the views and perceptions of the consumers with regard to FDI in Multi Brand Retailing Trade in India. From the findings of the study, it is evident that majority of the educated respondents are in favour of FDI in Multibrand retailing and the education level of the consumers has an influence on their perceptions.

Keywords: FDI, Multi Brand Retailing, FDI Norms, Consumers, Perceptions.

1. Introduction

Foreign Direct Investment plays an important role in the development process of a country's economy. India has been able to attract significant amount of Foreign Direct Investment, especially after the liberalization and is still continuing to explore opportunities in FDI inflows. This has gradually led to the advent of FDI in the retail sector in India which has positively impacted the retail and ancillary industries such as supply chain, manufacturing and agriculture. The recent liberalization of the FDI retail policy has come as a major boon to foreign retailers for those who are looking to set up or expand operations in the country. India further decided to relax sourcing and

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investment rules for the retail sector in a renewed attempt to attract foreign supermarket chains such as Wal-Mart Stores and Tesco. Amidst lot of political controversies, the government decided to permit 51 percent FDI in multi-brand retail trade and raised foreign direct investment (FDI) in single-brand to 100 per cent in September 2012 subject to approvals by the states. Opening up of FDI in multibrand is expected to bring benefits like employment opportunities, organized retail stores, availability of quality products at a better price etc.

There are various viewpoints regarding the impacts it will have on the retail sector in specific and the Indian economy in general, but the decision is a big step in the direction of strengthening organized retail in the country. This policy can take India's consumerism to a new growth trajectory as it is likely to result in increase in investments and growth in Indian retail sector, which is ranked amongst the top retail destinations in the world. It is also expected that FDI in multibrand retail will address the concerns of the foreign investors who have till date tried to understand the nuances of the FDI policy related to multi brand retail.

The industry chamber ASSOCHAM and private sector lender Yes Bank has come up with a joint report in conjunction with the widening of foreign direct investment (FDI) up to 51 percent, in multi-brand retail segment. This published report foresees about Rs 40,000 crore investment in multi-brand segment of India and expects an organized market growth to Rs 480,000 crore by 2016-17, as compared to 2011-12's Rs 160,000 crore growth.

Different stakeholders have different opinions based on their perception of the likely impact of FDI in MBRT in India on their interests. Though foreign players are already operating in the Indian market as cash and carry and single brand retail formats, present controversy centers on repercussions of FDI in multi-brand retailing. Against this background, it becomes imperative to examine the highly debated decision that has allowed foreign capital in multi-brand retailing and its likely impact on the sensitive issues that might have an implication on the different stakeholders of the society.

As it has been widely acknowledged by many parties that consumers will be benefited by price reduction and pampered with wide choice of products under one roof which in turn can lead to greater output and domestic consumption, the study aims to examine the perception of consumers with regard to FDI in Multi Brand Retailing in India as they are the ones who will be affected or benefited by this decision.

2. Review of Literature

Numerous studies have been carried out to analyse the impact and benefits of FDI in Multibrand Retailing.

Joshi Deepak (2012) carried out an exploratory research to find out the perception of the unorganized retailers in business capital of Uttarkhand with respect to FDI in MBRT and has found out that correlation of the various responses led to a conclusion that the source of information was also a factor of voicing against the FDI and the influence of Education level was quite evident.

Baskaran Kamala Devi (2012) in her study "FDI in India's Multi Brand Retail - Boon or Bane" explores the myths and realities of the global giants' entry to India and studies the status of organised food retailing in India with SWOT Analysis and highlights on farmer's issues towards FDI in multi brand retailing.

Khan A.Q. and Siddiqui Ahmad Taufeeque (2011) studied the impact of FDI on Indian economy and a comparison with China & USA. The paper has set strategies to deal with the issues & problems in attracting FDI for promotion & growth of international trade. The double log model has been used to find elasticity between different factors in this paper. They also highlight the impact of FDI on employment.

Chris Devonshire-Ellis and Ankit Shrivastava (2012) are of the view that FDI in MBRT will benefit the unorganized and local players in long run and opine that the advantages outweigh the disadvantages as successful experiments in countries like Thailand and China demonstrate. They also list benefits of allowing FDI like they will cut waste, big players will build backend infrastructure, price stability and job creation.

Jain M. and Suklecha M.L., (2012) in their paper emphasise on the need to invite FDI in multi brand retailing by analyzing the positive and negative impacts of the reforms.

Bisaria G., (2012) examined the responses of consumers on the government policy on multibrand retailing and found majority of people supporting the policy.

As a common consensus cannot be reached from the above review of past studies, it becomes vital to study this topic and this study aims to bring more light to the topic under investigation.

3. Objectives of the Study

1. To examine the policy that opened up Foreign Direct Investment (FDI) in Multi-Brand Retail Trade (MBRT) in India.
2. To analyse the likely implications and consequences that are feared to emerge with the introduction of FDI in Multi-Brand Retailing in India and to investigate the same.
3. To examine the perceptions of consumers in the wake of allowing FDI into Multi-Brand Retailing which may lead to an influx of several big organised retailers.

4. Hypotheses of the Study

Ho- The Null Hypothesis assumes that there is no significant relationship between Education Levels and the Consumers' perceived value towards FDI in Multi-Brand Retailing in India.

Ha- The Alternative Hypothesis accepts that there is significant relationship between Education Levels and the Consumers' perceived value towards FDI in Multi-Brand Retailing in India.

5. Research Design and Methodology

This study aims to examine the current FDI policy with regard to Foreign Direct Investment (FDI) in Multi-Brand Retailing in India and also to analyse the perceived value of consumers with respect to various factors. The methodology of the study is discussed below:

a. Research Design

In order to examine the perceptions of the consumers, this study has used a single cross-sectional descriptive research design. The association between the dependent and independent variable has been inferred using the causal-comparative design.

b. Sampling Design

Convenient sampling method was adopted for administering the questionnaires to measure the perceptions of 100 consumers among the age groups (20-30, 30-40 and 40&above) was collected from Western Suburbs of Mumbai region. However, the data was gathered only from consumers who had awareness about the concept FDI in Multibrand retailing in India as the aim of the study was not to explore the awareness of FDI but to measure the perception of the consumers with regard to the same.

c. Method of Data Collection

This study has been carried out with the help of both secondary and primary sources of data in order to conduct a quantitative analysis. The secondary data pertaining to the study has been gathered from various secondary sources including peer reviewed journals, magazines, news papers, government reports and other published data to understand the policy, its impact and likely benefits. The primary data has been gathered with the help of a survey from Western Suburbs of Mumbai region.

d. Statistical Tools Used to Test the Hypothesis

A chi-square analysis has been used to analyze the data collected and to determine the extent of relationship among the variables. Then the Cramer's V has been computed to find out the strength of association among the levels of the row and column variables.

e. Limitations of the Study

The research undertaken has some limitations that need to be addressed; firstly the sampling frame that was used was small (n= 100), therefore due to the small sample size, it is difficult to fully understand the consumer perceptions towards FDI in Multibrand Retailing in India. Secondly, questionnaire respondents were selected through the use of a convenience sampling method; therefore the results cannot be generalized.

6. Review of India's FDI norms in Multi Brand Retail Trade (MBRT)

FDI in Multi Brand retail implies that a retail store with a foreign investment can sell multiple brands under one roof. When the government decided to allow 51 per cent FDI in multi-brand retailing and 100 per cent FDI in single-brand retailing, though subject to certain conditions, this was considered as a long-awaited boon to large international retailers who had been eagerly waiting to tap into the estimated US\$ 750 Indian retail market. Almost nine months later, no global retailer has moved so far to file applications with the Foreign Investment Promotion Board (FIPB). No foreign investment has taken place in the sector so far. This attitude of the foreign retailers is also largely the result of earlier policy confusions and global retailers like Walmart, Tesco and Carrefour demanded further clarifications in the policy. So the government clarified the policy and took safer measures by allowing FDI in multi-brand retail only in those Indian cities with a population of one million or more as per the 2011 census, covering an area of 10 kms around the limits of that city. This automatically restricts the number of cities to 53 where it can be implemented. Only 10 states and UTs have so far conveyed to the Centre their agreement to open FDI in the multi-brand retail. The retail trading in any form by means of e-commerce has been made non-permissible for companies with FDI in multi-brand retailing.

The policy also ensures that there should be a minimum investment of US \$ 100 million by the foreign investor and 50 per cent investment shall be allowed through the government route and they need to invest half of the funds in back-end infrastructure development within three years, where back-end infrastructure will include capital expenditure on all activities, excluding that on front-end units. FDI in multi-brand retail

must also domestically outsource 30 per cent of the finished products sold in the market. This procurement clause ensures that domestic industry is not adversely impacted by the FDI inflows but stand to benefit from sales. If we look at the domestic front with regard to the above policy framework, lot of debate has been going on. According to the majority of the opponents; some of the likely impacts of the policy are as follows:

1. The policy will affect the small retailers (Kirana shops).
2. Millions of jobs will be lost.
3. Entities like Walmart, with deep pockets, will take over large segments of the retail sector.

In our investigation about the likely impact, we have come to the conclusion that the issues that are feared to emerge with the introduction of FDI in MBRT is only a misconception. The policy is only an enabling policy and it is up to the State Governments to take their own decisions with regard to implementation of the policy. Retail is a booming sector and as indicated in the policy, it can be seen that FDI in multi-brand retail can only be set up in only in those Indian cities that has a population of one million or more as per the 2011 census, covering an area of 10 kms around the limits of that city. Again, if we take the example of Mumbai, there is no possibility of big foreign entity being set up in Cuffe Parade or Juhu as the prices of urban land are far too high and hence it would become an uneconomical venture. There is also no empirical data to suggest that small retail stores would vanish. The second proposition which claims millions will be out of a job, is equally baseless. Infact, more jobs will be created as it is mandatory in the FDI policy 2013, that 50 per cent of any investment over a \$100 million would be in the backend infrastructure. So investments will be made at the back-end of retail and more supply chains will be established. This will also eliminate agents who survive merely on trading and pave way for more jobs. Lastly, the argument that it would destroy the retail sector as it will take over our retail is not accepted because it is Indian retail which is going to tie up with FDI in multi-brand retail. The local retailers who already are aware of the nuances of our market conditions will have enough domestic demand to cater to consumers` needs. From the above discussion, it is evident that the consequences that are feared to emerge are only a myth.

7. Perception of Consumers with regard to FDI in Multi Brand Retailing in India

FDI in multi brand retail policy seems to cater to a variety of stakeholders except the most crucial one, namely, consumers, whose preferences, choices and spending patterns contribute greatly to the economic growth. So it becomes imperative to find

out what Indian consumers think about FDI in multibrand retailing. This study has also attempted to establish the perceptions of the consumers for which a survey was carried out in the Western Suburbs of Mumbai region with the help of a formalized and concealed questionnaire. The questionnaire that was administered on the respondents had a set of formal questions about age, education and a five-point Likert scale which is a psychometric response scale primarily used in questionnaires to obtain participant's preferences of degree of agreement or disagreement with a set of favourable and unfavourable statements. The likert scale was constructed with a set of 7 statements based on exploratory research using a focus group. The following section shall now present and discuss the results that were obtained through the distribution of the questionnaires to the respondents (n= 100). Annexure 1 shows the cumulative percentages of the responses on a five point likert scale for the seven statements that were administered on the respondents. As the aim of the study is also to test the association between education and perceptions of the respondents, it becomes imperative to find out the education levels of the respondents. The detailed descriptive figures of table 1 which breaks down the figures in to our two participant categories based on education level (Below graduation and Graduation and above) along with the cumulative percentages of the respective statement's level of agreement, disagreement and neither agreement nor disagreement respondents felt towards each statement that was posed is shown in Annexure 2.

8. Analysis and Interpretation of Survey Results

The study was carried out on a sample of 100 respondents out of which 59 were male respondents and 41 were female respondents. Next for analysis purpose, the cumulative percentages of the responses as shown in annexure 2, the degree of agreement and disagreement were collapsed by combining the upper and lower categories into a 3 level "Agree/Neither/Disagree" breakdown. The collapsed cumulative percentages are presented below.

Table 1 : Cumulative percentages of Consumers' Perceptions

S. No.	IVs*	Statements	% of Disagreement	% of Neither Agree nor Disagree	% of Agreement
1.	X1	I am not in favour of FDI in multi-brand retail in India	49	30	21
2.	X2	FDI in Multi brand retailing will give rise to big arrogant international retailers.	32	42	26

S. No.	IVs*	Statements	% of Disagreement	% of Neither Agree nor Disagree	% of Agreement
3.	X3	FDI in Multi brand retailing will offer wide choice of products under one roof	9	18	73
4.	X4	Customers will be forced to buy products at high rates	33	46	21
5.	X5	FDI in multi brand retailing would create lot of job opportunities	15	22	63
6.	X6	Average expenditure of the customers would decrease because of big retailers	27	56	17
7.	X7	FDI in Multi brand retailing would be a threat to small retailers	35	29	36

Source: Compiled from Primary Data

*IVs-Independent Variable Factors

Table 1 given above, shows that respondents leaned either positively or negatively in terms of agreement towards statement no 1,3 & 5 and majority of the respondents neither agreed nor disagreed for statements 2, 4 &6. It can also be observed from the results presented above that the highest degree of agreement was for statement 3. This indicates that majority of the respondents (53 per cent) feel that FDI in Multi brand retailing will offer wide choice of products under one roof. This also reflects their level of awareness. Availability of wide variety of products could also possibly be one important reason why 49 per cent of respondents have favoured FDI in multi-brand retail in India. Almost 30 per cent of respondents have remained neutral in this regard. It can also be seen that 42 per cent of the respondents have neither agreed nor disagreed for statement 2 which says that FDI in Multi brand retailing will give rise to big arrogant international retailers. This is an important finding for the policy makers and the retailers because these groups of customers are watching the strategies adopted by the players. Almost 46 per cent of respondents have neither agreed nor disagreed for the statement 'Customers will be forced to buy products at high rates'. This indicates that majority of respondents feel that big retailers can't assure the customers of products at lower prices. This could be due to the high establishment costs and recurring expenditure. It can also be interpreted that as Indian consumers are quite price-sensitive, they will continue to shop in traditional outlets. Majority of the respondents (63 per cent) are of the opinion that FDI in multi brand retailing would create lot of job opportunities. This is an important observation because this issue has been one of the most feared

consequences of this policy and the primary data result proves that the consumers feel that it will only create more job opportunities. When an attempt was made to find out whether average expenditure of the customers would decrease because of big retailers, majority of the respondents (56 per cent) remained neutral. This reflects clearly that they were actually not sure about this or may be not willing to comment about the said statement. The fear that the emergence of multibrand retailing will be a threat to small retailers is not fully founded in our survey. There is no empirical evidence to prove that the entry of big multinational retailers would affect the small retailers as 29 per cent of the respondents chose to be neutral in this regard. This also indicates the respondents are still not clear about FDI in MBR's impact on small retailers and they are divided in their opinions.

Table 2 : Consumers' Perceived Effects of Education level against FDI in Multibrand Retailing

I.Vs*.	Statements	% of Disagreement		% of Neither Agree nor Disagree		% of Agreement	
		BG	G&A	BG	G&A	BG	G&A
X1	I am not in favour of FDI in multi-brand retail in India	11	38	8	22	13	8
X2	FDI in Multi brand retailing will give rise to big arrogant international retailers.	3	29	8	34	21	5
X3	FDI in Multi brand retailing will offer wide choice of products under one roof	7	2	5	13	20	53
X4	Customers will be forced to buy products at high rates	7	26	9	37	16	5
X5	FDI in multi brand retailing would create lot of job opportunities	14	1	13	9	5	58
X6	Average expenditure of the customers would decrease because of big retailers	14	13	13	43	5	12
X7	FDI in Multi brand retailing would be a threat to small retailers	1	34	3	26	28	8

Source: Compiled from Primary Data

*IVs-Independent Variable Factors

As discussed earlier, since the aim of the study is to test the association between education and perceptions of the respondents, only two education levels were included in the questionnaire and the degree of agreement and disagreement were collapsed by combining the upper and lower categories into a 3 level "Agree/Neither/Disagree" breakdown. The results shows that 32 per cent of the respondents were below the graduation level and 68 per cent were above the graduation level. Further, the observations that were made clearly shows that majority of the respondents whose educational level is below graduation have inclined negatively towards opening up of FDI in Multibrand retailing in India. A majority of 14 respondents out of the total 32 respondents are of the opinion that FDI in multi brand retailing would not create lot of job opportunities. This could be due to fear of loss of jobs. They also felt that the average expenditure of the customers would not decrease because of big retailers. A majority of the respondents who have not graduated have expressed similar view points for statements 2, 3 & 4. They have also expressed their fear by strongly agreeing (28 out of 32) that FDI in Multi brand retailing would be a threat to small retailers. In contrast, the educated category has positively inclined towards FDI (53 out of 68) due to availability of wide variety of products under one roof. The reasons could be convenience, time factor and quality products. This group is also of the opinion (58 out of 62) that there is a possibility of lot of job opportunity. Thus the results indicate clearly that the educated respondents have inclined positively and the respondents below graduation level have inclined negatively towards FDI in multibrand retailing in India.

9.1 Statistical Results of Perceived effects of Education level against favouring of FDI in Multibrand Retailing

Table 3 : Computation of Chi Square

S.No.	Education Level	Below Graduation	Graduation and Above
1.	% of Disagreement	11	38
2.	% of Neither Agree nor Disagree	8	22
3.	% of Disagreement	13	8
Chi-Square	Df	P	
11.08	2	5.991	
Cramer's Value = 0.3329			

Source: Calculated from primary data

In order to statistically test the hypothesis and to find out the relationship between education levels and perceptions of consumers with reference to the statement, 'I am not in favour of FDI in multi-brand retail in India', agree, strongly agree and disagree, strongly disagree were collapsed as agree and disagree as discussed earlier. Next, 3x5 cross tabulations were computed between educational level variable and the perceived value of the factor under consideration. Then a Chi-square statistics was used to analyze the data collected and to determine the extent of relationship among the variables. The computed value of Chi-square statistics is 11.08. Since the computed value of 11.08 is greater than the critical value of 5.991, the statistical decision is to accept the alternate hypothesis. In other words, there is significant relationship between Education Levels and the Consumers' perceived value towards FDI in Multi-Brand Retailing in India. The computed value of Cramer's V, which is 0.3329, also indicates a strong association among the levels of the row and column variables. This further proves the relationship between the dependent and the independent variables.

9. Conclusions

The decision to liberalise FDI norms in multibrand retailing comes in the backdrop of the country's economic growth. The intentions look commendable but its impacts are widely debatable. Arguments like extinction of kirana stores, loss of employment to millions of people etc. have been cited as the negative impact of FDI in Multibrand Retail. So, this study made an attempt to examine the policy related to FDI in Multibrand Retailing in India and also to investigate the issues that are feared to emerge with the policy. After very carefully examining the policies and the likely impacts of the policy, this study concludes the following:

1. The government has introduced the policy only as an enabling policy and sufficient safe measures for each clause has been adopted.
2. There is also no empirical evidence to prove that the small retailers will be affected or millions would be out of job. So all the propositions placed by the critics against the policy is only a misconception.
3. The study which also attempted to find out the perception of consumers with regard to the policy has found out the there is significant relationship between Education Levels and the Consumers' perceived value towards FDI in Multi-Brand Retailing in India.
4. The results of the survey clearly shows that consumers who are educated are positively inclined and the consumers who are not educated are negatively inclined towards FDI in Multi-Brand Retailing in India.

5. These research findings have important implications for the policy makers and the government needs to focus more on, educating small and unorganized retailers for future course of action to excel in their business and to create awareness about the benefits of the policy in the minds of the uneducated consumers.
6. Finally, the study concludes that with the opening up of FDI in multibrand retail, the sector is expected to bring in adequate infrastructure creation, better quality product offerings to the consumers and create numerous job opportunities directly as well as indirectly but the apprehensions of the different stake holders need to be resolved immediately to generate wider acceptance of this policy.

10. Findings of the Study

1. From the survey, it has been found that 53 per cent of respondents feel that FDI in Multi brand retailing will offer wide choice of products under one roof.
2. Out of the total respondents, 42 per cent of the respondents have neither agreed nor disagreed when asked FDI in Multi brand retailing will give rise to big arrogant international retailers.
3. The respondents who are of the opinion that FDI in multi brand retailing would create lot of job opportunities has been found out to be 63 per cent
4. Out of the total respondents surveyed, 32 per cent of the respondents were below the graduation level and they have inclined negatively towards opening up of FDI in Multibrand retailing in India.
5. Out of the total respondents surveyed, 68 per cent of the respondents were above the graduation level and they have inclined positively towards opening up of FDI in Multibrand retailing in India.

11. Recommendations

1. The Government should play a vital role to increase the level of awareness of FDI in Multibrand retailing trade in India and its implications in the minds of the stake holders so as to build a positive environment.
2. Government should guard against the risk of foreign retailers becoming monopolistic and charging high prices by allowing them in restrictive manner.
3. It is also important for Indian policymakers to learn lessons from FDI in multibrand experiences of other countries like China and adopt a cautious approach.
4. The government must strengthen the Competition Commission's role for enforcing rules against predatory pricing.

5. In order to increase the credit facilities to Indian farmers, monetary transactions should be done through Indian Banks only.
6. First priority should be given to the Indian goods and products produced by Indian incorporate for consumption purpose.

Thus it can be seen that FDI in Multibrand retailing can play a significant role for economic growth and development through its strengthening of domestic capital, productivity and employment creation by integrating its economy with that of the global economy.

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Annexure 1

Consumers' Perception towards FDI in MBRT (Cumulative Responses in %)

LVs	Statements	Strongly Disagree (%)	Disagree (%)	Neither Agree nor Disagree (%)	Agree (%)	Strongly Agree (%)	Total
X1	I am not in favour of FDI in multi-brand retail in India	35	14	30	14	7	100
X2	FDI in Multi brand retailing will give rise to big arrogant international retailers.	15	17	42	15	11	100
X3	FDI in Multi brand retailing will offer wide choice of products under one roof	4	5	18	45	28	100
X4	Customers will be forced to buy products at high rates	7	26	46	10	11	100
X5	FDI in multi brand retailing would create lot of job opportunities	7	8	22	31	32	100
X6	Average expenditure of the customers would decrease because of big retailers	11	16	56	9	8	100
X7	FDI in Multi brand retailing would be a threat to small retailers	13	22	29	21	15	100

Source: Compiled from Primary Data

Annexure 2

**Consumers' Perception towards FDI in MBRT against Education Level
(Cumulative Responses in %)**

IVs	Strongly Disagree		Disagree		Neither Agree nor Disagree		Agree		Strongly Agree	
	Below Grad	Graduation and above	Below Grad	Graduation and above	Below Grad	Graduation and above	Below Grad	Graduation and above	Below Grad	Graduation and above
X1	6	29	5	9	8	22	8	6	5	2
X2	2	13	1	16	8	34	11	4	10	1
X3	3	1	4	1	5	13	13	32	7	21
X4	3	4	4	22	9	37	8	2	8	3
X5	7	0	7	1	13	9	3	28	2	30
X6	6	5	8	8	13	43	3	6	2	6
X7	0	13	1	21	3	26	15	6	13	2

Source: Compiled from Primary Data

The Association Between Supply Chain and Profile of Manufacturing Firm

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-T. Nambirajan**

Abstract

The purpose of this research work to study the relationship between supply chain practices and profile of Puducherry manufacturing industries. Empirical survey of 255 samples was collected from the executives of manufacturing industries in the Union Territory of Puducherry using structured questionnaire. On the basis of chi-square test, Analysis of Variance (ANOVA), Independent sample t-test, Correspondence analysis and Canonical correlation analysis the relationship among supply chain and profile of Puducherry manufacturing industries was assessed and reported. A general conclusion is that positive correlation and 24% of the share variance exists between the two sets of variables supply chain practices factors and the business profile of manufacturing enterprises.

Keywords: Supply chain practices, Empirical research, Manufacturing industries profile.

1. Introduction

As competition is intensified and markets became global, so did the challenges associated with getting a product and service to the right place at the right time at the lowest cost. Organizations began to realize that it is not enough to improve efficiencies within an organization, but their whole supply chain has to be made competitive. The understanding and practicing of supply chain management (SCM) has become an essential prerequisite for staying competitive in the global race and for enhancing profitably.

SCM has been defined to explicitly recognize the strategic nature of coordination between trading partners and to explain the dual purpose of SCM: to improve the performance of an individual organization, and to improve the performance of the whole supply chain. The goal of SCM is to integrate both information and material flows seamlessly across the supply chain as an effective competitive weapon.

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This research paper attempts to analysis the supply chain practices of manufacturing industries, Based on the survey data collected from executives of manufacturing industries, the following sections were discussed the literature review related to supply chain practices, research methodology employed in this research paper, results and discussion from the statistical analysis and final section is conclusion and implications of this research work.

2. Review of Literature

Supply chain practices provides a framework of methods and practices that help an organization in effectively integrating various stake-holders of Supply Chain Management namely, suppliers, manufacturers, distributors and customers, thereby resulting in the long run progress of the organization and their overall performance (Stock and Boyer, 2009).

The best Supply Chain Practices help an organization in depicting a distinct picture based on various market indicators such as demand forecasting, product availability, inventory management and distribution (Sunil Chopra and Meindl, 2005). Hence it is not surprising that best supply chain practices driven organizations achieve superior supply chain performance. However, it has been well established that internal and external cross functional collaboration of suppliers and customers direct to superior organizational performance (Thakkar et al., 2008).

Supply chain practice is defined as a "Set of activities aimed at improving the performance of the whole supply chain" (Tan, 2002, Chow, 2008 and Koh et al., 2007.)

Kannana and Tan (2005) identified important dimensions of supply chain management which address the different dimensions namely quality management, supply chain practices and some specific elements like just in time capabilities. Li et al (2006) have validated three dimensions of supply chain practices namely supply chain planning, JIT production and delivery practices.

Rajashekhhar and Devi (2007) studied the Supply Chain Processes of processing industries, and concluded that the existing strategy of the enterprises in this industry should be modified to suitably cope up with SC partners, in order to provide better service and gain competitive advantage. The firms should involve all entities of their supply chain and implement proper measurement system to attain superior performance in supply chain.

Cook et al (2010) have propagated various factors of supply chain practices such as material and supply management, operations efficiency, customer service and information sharing. They have also pointed out that various components must work

in tandem with each other to effectively achieve superior supply chain position. Sahay and Mohan (2003) pointed out that there are crucial supply chain practices encompassing the strategy, integration, inventory management and information technology.

Due to the lack of consensus about common supply chain practices and various priorities on supply chain practices in various literature, this research work intends to focus and identify the commonalities among these practices used currently and providing a frame work for improving the supply chain performance and ultimately better organizational performance. The commonalities of supply chain practices found in the work of Koh et al (2007) have been used in the proposed research work.

3. Research Methodology

The research design of the proposed research work is descriptive in nature. The research work has been conducted mainly based on primary. Primary data relating to supply chain concerns variable of manufacturing industries have been collected from executives of manufacturing firms. The data collection instrument used for this research is a well structured questionnaire. The sample population for this study consists of the manufacturing firms located in the Union Territory of Puducherry including Pondicherry, Karaikal, Mahe and Yanam. Sampling technique adopted in this research work is simple random sampling method, and the sample size for the study was 255 manufacturing firms.

The variables needed for the questionnaire was generated through the literature review, and pre-pilot study was conducted to test the content validity of the questionnaire by administering it to subject experts and necessary suggestions were incorporated. The Pilot study was conducted on 30 manufacturing firms in the Union Territory of Puducherry and the initial reliability of the questionnaire was tested using Cronbach's-Alpha value, which revealed a good reliability result. The main survey was conducted using final questionnaire and the results are represented in tabular and figurative forms. The statistical tools used in this research work are chi-square test, Analysis of Variance (ANOVA), Independent sample t-test, Correspondence analysis and Canonical correlation analysis. Software packages used to analyze above statistical tools are SPSS 16.

4. Results and Discussions

This section presents inferential statistical analysis of supply chain concerns using statistical tools namely using chi-square test, Analysis of Variance (ANOVA), Independent sample t-test, Correspondence analysis and Canonical correlation analysis and results are represented in tabular and figurative forms. The supply chain practices of manufacturing enterprises are grouped into three factor concerns namely quality and service practices, design effectiveness practices and operations and distribution practices. Manufacturing units segmented into three clusters based on the three supply chain

practices factors. Each variable and its nature of relevance with supply chain practices are described in detail in the forthcoming sections.

4.1 Characteristics of Supply Chain Practices

In the previous section, Supply chain practices have been classified into three categories namely "moderate supply chain practices units", "partnership practices units", and "high supply chain practices units", on the basis of their supply chain practices factors. It is obvious that the high supply chain practices units will occupy the top position as far as overall performance is concerned. In the forthcoming paragraphs, the characteristics of supply chain practices segments are identified through chi-square test along with correspondence analysis, T-test, analysis of variance (ANOVA) and canonical correlation.

The chi-square test values along with their level of significance have been displayed in Table 4.1.

Table 4.1 Chi-Square Test Value for Profile of Manufacturing Industries Variables

S. No	Variable	Chi-Square value	Sig. Value	Significance or not
1.	Type of Industry	51.021	0.000	Significant
2.	Number of Employees	41.274	0.000	Significant
3.	Total Capital Invested	21.720	0.000	Significant
4.	Supply Chain Position	4.165	0.654	Not Significant
5.	Nature of Industry	17.326	0.002	Significant
6.	Side of Supply Chain	0.815	0.665	Not Significant
7.	Type of Goods Produced	2.286	0.319	Not Significant
8.	Type of Business Organization	21.102	0.002	Significant
9.	Type of Ownership	11.432	0.076	Not Significant
10.	Type of Listing	11.500	0.074	Not Significant
11.	What kind of Manufacturing	5.874	0.209	Not Significant
12.	Manufacturing Pattern	12.606	0.050	Not Significant
13.	Type of process	10.655	0.000	Significant
14.	Annual Sales	17.270	0.069	Not Significant
15.	Market Coverage	19.243	0.001	Significant
16.	Area of Market	43.802	0.000	Significant
17.	Business years	8.577	0.199	Not Significant
18.	Software Usage	12.709	0.002	Significant

To understand the characteristics of these three supply chain practices segments, association among the three clusters with various manufacturing units categorized based on their profile are analyzed. The chi-square test is applied to test the significance of associations. From the chi-square test it is found that significant association between supply chain practices clusters with manufacturing enterprises grouped on the basis of type of industry, nature of industry, number of employees, total capital invested, type of business organization, type of process, market coverage, area of market and software usage.

4.2 Relationship Between Supply Chain Practices and Profile of Manufacturing Industries

Chi-square analysis shows significant association between supply chain practices clusters with different groups of manufacturing enterprises categorized based on type of industry, nature of industry, number of employees, total capital invested, type of business organization, type of process, market coverage, area of market and software usage. The forthcoming sections shall discuss at length, the relationship between the clusters formed based on supply chain practices factors and the units grouped on the basis of their profile of manufacturing industries.

4.2.1 Type of Industry

To test the significance of association, chi-square test is applied. The chi-square value as 51.021 and significant value as 0.000 (Table 4.1). This suggests that there is significant association among the units clustered based on supply chain practices and the units categorized based on type of Industry.

The association between manufacturing units categorized based on type of industry and supply chain practices segments are portrayed in Figure 4.19.

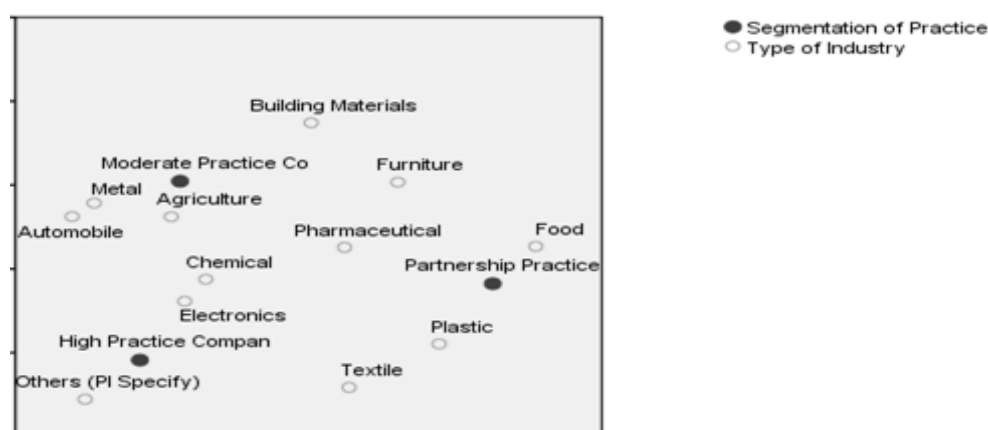


Figure 4.1 : Industry and Practices- Correspondence Diagram

The association between manufacturing enterprises categorized based on nature of industry and supply chain practices clusters can be identified by using correspondence analysis. It can be inferred from the above figure that manufacturing units belonging to electronics, chemical, textile and other types of industries are associated with "Highly supply chain practices units", while the units belonging to plastic, food, furniture and pharmaceutical industries are associated with the "partnership practice units", and the units belonging to metal, agriculture, automobile and building material industries are associated with moderate supply chain practices units.

The relationship between the units categorized on the basis of type of industry and supply chain practices factor is depicted in Table 4.2.

Table 4.2 : ANOVA for Type of Industry and Procurement Practices

Supply Chain Practices	F	Sig.
Procurement Practices	2.997	0.001
Strategic Planning and Lean Practices	1.481	0.139
Close Partnership	2.105	0.021

It can be observed from the above table that significant difference is observed among the units categorized on the basis of type of industry with respect to procurement practices and close partnership practices.

Mean values regarding procurement practices in respect of the units categorized on the basis of nature of industry is displayed in Table 4.3.

Table 4.3 : Mean values for Procurement Practices of Industry Category

Type of Industry	N			
		1	2	3
Food	25	2.31		
Furniture	7	2.46		
Building Materials	22	2.51		
Plastic	24	2.68		
Agriculture	12	2.83		
Textile	15	2.83		
Chemical	37	2.91		
Automobile	20	3.00		
Metal	27	3.00		
Pharmaceutical	8		3.06	
Electronics	36		3.06	
Others	22			3.56

The post hoc analysis is carried out with Duncan method to understand inter group difference among type of Industry with respect to procurement Practices. The above table indicates that three homogeneous sub groups can be formed among manufacturing enterprises belonging to twelve types of Industry based on procurement practices. The difference in mean values among the three homogenous groups (first group consisting of food, furniture, building materials, plastic, agriculture, textile, chemical, automobile and metal segment industry group; second group consisting of pharmaceutical and electronics industries; third group consisting of other types of industries) is significant at 99 percent level of confidence (Table 4.2, significant value is 0.001). This implies that there is a significant difference among the units categorized on the basis of type of industry with respect to procurement practices.

Mean values regarding partnership practices of manufacturing units categorized on the basis of type of industry is depicted in Table 4.4.

Table 4.4 : Mean Values for Close Partnership Practices of Industry Category

Type of Industry	N			
		1	2	3
Agriculture	12	2.91		
Automobile	20	3.03		
Building Materials	22	3.28		
Metal	27	3.30		
Furniture	7	3.57		
Food	25	3.57		
Electronics	36	3.57		
Pharmaceutical	8	3.58		
Chemical	37		3.65	
Others	22			3.78
Plastic	24			3.79
Textile	15			3.88

The difference in mean values among three homogenous group, (first group consisting of agriculture, automobile, building materials, metal, furniture, food, electronics and pharmaceutical industries; second group consisting of chemical industries; third group consisting of plastic, textile and other type of industries) is significant at 99 percent level of confidence (Table 4.2, significant value is 0.021). This implies that significant difference exists among the units categorized on the basis of type of industry with respect to close partnership practices.

4.2.2 Number of Employees

The chi-square value as 41.274 and significant value as 0.000 (Table 4.1) which clearly indicates the prevalence of significant association between the units categorized on the basis of number of employees and supply chain practices of manufacturing units.

The association between the units categorized on the basis of number of employees and supply chain practices segments are shown in Figure 4.2.

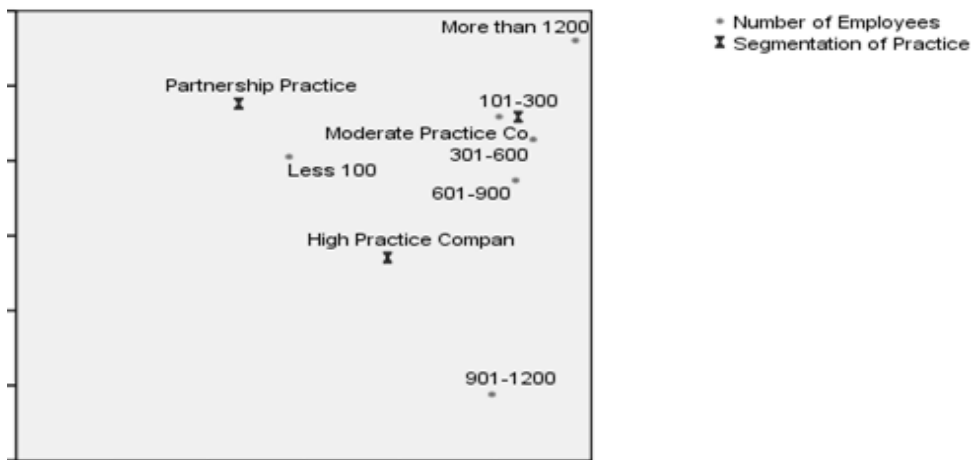


Figure 4.2 : Employees and Practices- Correspondence Diagram

It can be observed from the above figure that manufacturing enterprises employing 601-900 and 901-1200 are associated with highly supply chain practices units, while those units employing less than 100 are associated with partnership practice units, and those units employing 101-300 and 301-900 are associated with moderate supply chain practices units.

The relationship between the units grouped on the basis of number of employees and supply chain practices factor has been displayed in Table 4.5.

Table 4.5 : ANOVA for Number of Employees and Supply Chain Practices

Supply Chain Practices	F	Sig.
Procurement Practices	2.414	0.037
Strategic Planning and Lean Practices	1.878	0.099
Close Partnership	3.335	0.006

It is observed from the above table that no significant difference exist among the units grouped on the basis of number of employees with respect to strategic planning and lean practices, while significant difference exist with respect to procurement practices and close partnership practices.

Mean values regarding close partnership practices of manufacturing units categorized on the basis of number of employees are depicted in Table 4.6.

Table 4.6 : Mean values for Close Partnership Practices of Employees Category

Number of Employees	N		
		1	2
More than 1200	7	3.04	
100-300	61	3.26	
300-600	24	3.27	
900-1200	18	3.37	
600-900	17	3.50	
Less 100	128		3.72

It can be observed that two homogenous groups can be formed, first group consisting of units with number of employees More than 1200, 100-300,300-600,900-1200 and 600-900, while the second group consist of units with Less than 100 employees. The mean values in respect of these two groups significantly differ. This implies that significant difference prevails among units grouped based on number of employees with respect to close partnership practices.

4.2.3 Total Capital Invested

The chi-square value as 21.720 and significant value as 0.000 (Table 4.1) which clearly indicates significant association between the units grouped on the basis of capital invested and supply chain practices of manufacturing enterprises.

The association between the units grouped on the basis of the units grouped on the basis of capital invested and supply chain practices clusters has been displayed in Figure 4.3.

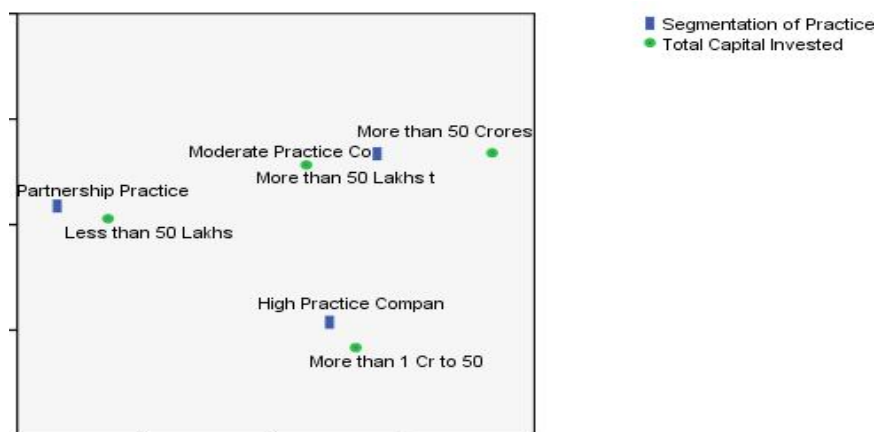


Figure 4.3 : Capital Invested and Practices- Correspondence Diagram

It can be inferred from the above figure that manufacturing enterprises with capital investment of 1-50 crores are associated with Highly supply chain practices units, while those units with capital investment of less than 1 crore are associated with partnership practice units, and the units with capital investment of more than 50 crores are associated with moderate supply chain practices units.

The relationship between the manufacturing units categorized on the basis of capital invested and supply chain practices factor has been displayed in Table 4.7.

Table 4.7 : ANOVA for Capital Invested and Supply Chain Practices

Supply Chain Practices	F	Sig.
Procurement Practices	4.812	0.003
Strategic Planning and Lean Practices	1.962	0.120
Close Partnership	1.273	0.284

It is observed from the above table that no significant difference exist among the manufacturing units categorized on the basis of capital invested with respect to strategic planning and lean practices, close partnership and significant difference exist among the manufacturing units categorized on the basis of capital invested with respect to procurement practices.

Mean values regarding procurement practices of the units categorized on the basis of capital invested has been displayed in Table 4.8.

Table 4.8 : Mean Values for Procurement Practices of Capital Invested Category

Total Capital Invested	N		
		1	2
Less than 50 Lakhs	87	2.60	
More than 50 Lakhs to 1 Crores	73	2.90	
More than 50 Crores	35		3.07
More than 1 crores to 50 crores	60		3.12

It can be inferred from the above table that two homogenous groups can be formed based on the difference in mean values. The first group consists of units with investment of Less than 50 Lakhs and 50 Lakhs to 1 Crores, while the second group consists of units with investment of More than 50 Crores and 1 crore to 50 crores is significant at 99 percent level of confidence (Table 4.7, Significant value is 0.003). This implies that significant difference exist among units grouped on the basis of total capital invested in respect of procurement practices.

4.2.4 Nature of Industry

The chi-square value as 17.326 and significant value as 0.002 (Table 4.1) which clearly indicates significant association between nature of industry and supply chain practices of manufacturing units.

The association between units grouped on the basis of nature of industry and supply chain practices segments are shown in Figure 4.4.

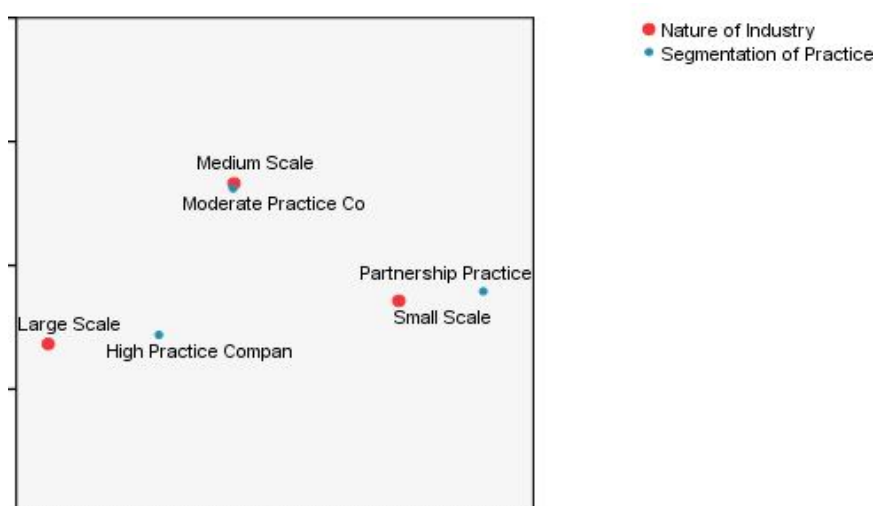


Figure 4.4 : Industry and Practices- Correspondence Diagram

It can be inferred from the above figure that units operating as large scale industry are associated with highly supply chain practices units, while the units operating as small scale industry are associated with Partnership practice units, and the units operating as medium scale industry are associated with Moderate supply chain practices units.

The relationship between the units categorized based on nature of industry and supply chain practices factor has been displayed in Table 4.9.

Table 4.9 : ANOVA for Nature of Industry and Supply Chain Practices

Supply Chain Practices	F	Sig.
Procurement Practices	2.733	0.067
Strategic Planning and Lean Practices	8.050	0.000
Close Partnership	1.096	0.336

It can be observed from the above table that significant difference exist among the units grouped on the basis of nature of industry with respect to strategic planning and lean practices, while no such difference exist with regard to procurement practices and close partnership.

Mean values for strategic planning and lean practices of industry category are shown in Table 4.10.

Table 4.10 : Mean Values for Strategic Planning and Lean of Industry Category

Nature of Industry	N		
		1	2
Small Scale	115	3.10	
Medium Scale	94	3.34	
Large Scale	46		3.70

It can be inferred that two homogenous groups can be formed based on the difference in mean values. The first group consists of manufacturing units operating as small scale and medium scale industry units, while the second group consists of units operating as large scale industry. Significant difference prevails among these two groups at 99 percent confidence level (Table 4.9, Significant value is 0.000). Manufacturing units operating as large scale industry possess high level of strategic planning and lean practices compare to the units operating as small and medium scale industry.

4.2.5 Type of Business Organization

The chi-square value as 21.102 and significant value as 0.002 (Table 4.1) which clearly indicates existence of significant association between the units grouped on the

basis of type of business organization and supply chain practices of manufacturing units.

The association between type of business organization category and supply chain practices segments are shown in Figure 4.5.

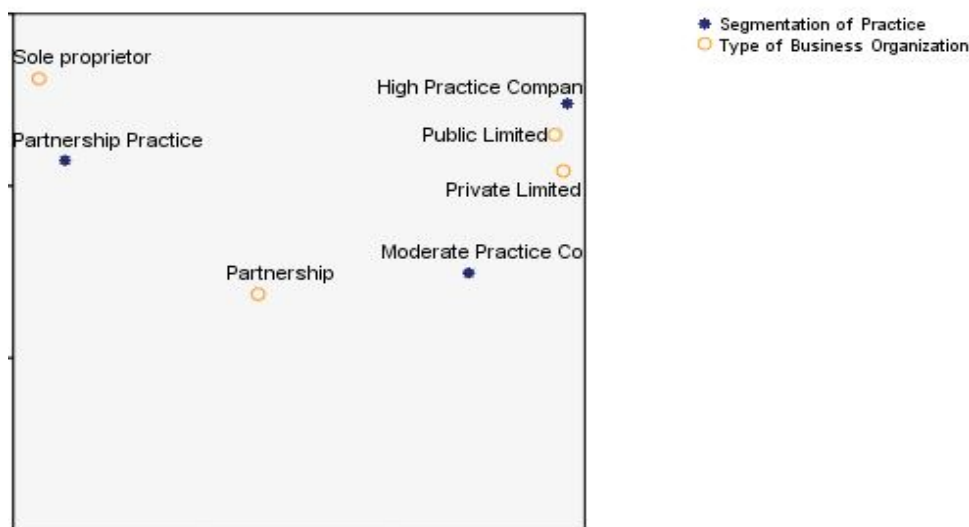


Figure 4.5 : Business Organization and Practices- Correspondence Diagram

It can be inferred from the above figure that manufacturing units using the Public and private company forms of organization are associated with Highly supply chain practices units, while those units using the Sole Proprietorship form of organization are associated with the partnership practice units, and those units using the Partnership form of organization are associated with Moderate supply chain practices units.

The relationship between the units grouped on the basis of type of business organization and supply chain practices factor are shown in Table 4.11.

Table 4.11 : ANOVA for Business Organization and Supply Chain Practices

Supply Chain Practices	F	Sig.
Procurement Practices	3.329	0.020
Strategic Planning and Lean Practices	5.253	0.002
Close Partnership	1.059	0.367

It is observed from the above table that significant difference exist among the group of units categorized based on type of business organization with respect to strategic

planning and procurement practices, while no such significant difference exist regarding lean practices and close partnership practices.

Mean values for strategic planning and lean practices of business organization category are shown in Table 4.12.

Table 4.12 : Mean Values for Strategic Planning and Lean of Business Organization Category

Type of Business Organization	N		
		1	2
Sole proprietor	41	2.54	
Partnership	70	2.77	
Private Limited	115		3.00
Public Limited	29		3.09

Based on difference in the mean values, two homogenous group may be formed. The first group consists of units using the sole proprietor and partnership forms of organization, while the second group consists of units using the private limited company and public limited company form of organization. Significant difference exist among the three groups at 99 percent confidence level (Table 4.11, Significant value is 0.002). This implies that significant difference exists among units using different forms of organization in respect of strategic planning and lean practices.

Mean values for procurement practices of business organization category are shown in Table 4.13.

Table 4.13 : Mean Values for Procurement of Business Organization

Type of Business Organization	N			
		1	2	3
Partnership	70	3.02		
Sole proprietor	41	3.14		
Private Limited	115		3.47	
Public Limited	29			3.56

Based on the difference in mean values, three homogenous groups may be formed. The first group consists of manufacturing units using sole proprietorship and partnership forms of organization, while the second group consists of manufacturing units using private limited company and third group is public limited company forms of organization. Significant difference exists at 99 percent confidence level (Table 4.11, significant value is 0.020). This implies that significant difference exist among groups of units categorized based on type of business organization in respect of procurement

practices. Units using the private limited company and public limited company form of organization are having high level of procurement practices compare to those manufacturing units using the sole proprietor and partnership form of organization.

4.2.6 Type of Process

The chi-square value as 10.655 and significant value as 0.000 (Table 4.1) which clearly indicates significant association between the units categorized based on type of process and supply chain practices of manufacturing units.

The association between type of process category and supply chain practices segments has been displayed in Figure 4.6.

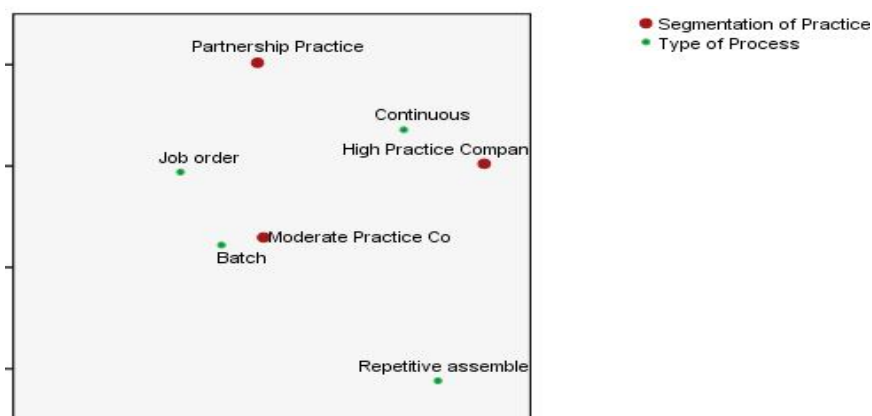


Figure 4.6 : Process and Practices- Correspondence diagram

It can be inferred from the above figure that firms using continuous process are associated with "Highly supply chain practices units", while units using the job order process are associated with "partnership practice units" and those units using batch and repetitive assemble process are associated with "Moderate supply chain practices units".

The relationship between manufacturing units grouped on the basis of type of process and supply chain practices factor have been displayed in Table 4.14.

Table 4.14 : ANOVA for Type of Process and Supply Chain Practices

Supply Chain Practices	F	Sig.
Procurement Practices	1.744	0.159
Strategic Planning and Lean Practices	4.242	0.006
Close Partnership	0.792	0.499

It is observed from the above table that significant difference exist among the groups of units categorized based on type of process group with respect to strategic planning and procurement practices, while no such significant difference exist in respect of lean practices and close partnership.

4.2.7 Market Coverage

The chi-square value as 19.243 and significant value as 0.001 (Table 4.1) which clearly indicates existence of significant association between manufacturing units grouped on the basis of market coverage and their supply chain practices.

The association between market coverage category of manufacturing units and supply chain practices segments are shown in Figure 4.7.

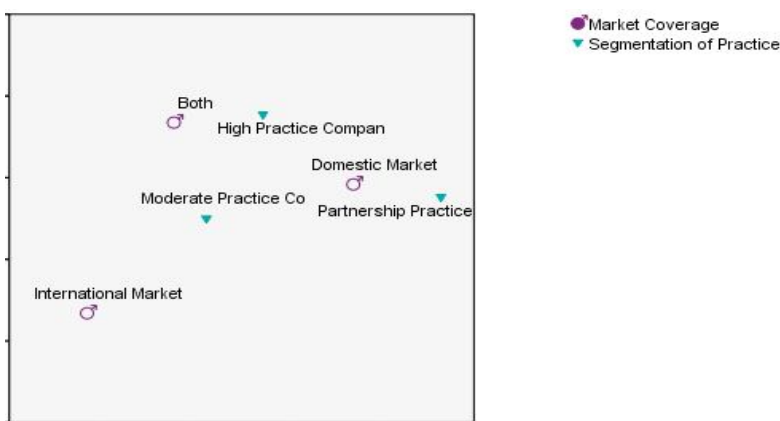


Figure 4.7 : Market Coverage and Practices- Correspondence Diagram

It can be inferred from the above figure that manufacturing units concentrating on both the domestic and international markets are associated with the "Highly supply chain practices units" while the units concentrating on domestic market alone are associated with "partnership practice units" and those units concentrating on international market are associated with "Moderate supply chain practices units".

The relationship between market coveragecategory of manufacturing units and supply chain practices factor is shown in Table 4.15.

Table 4.15 : ANOVA for Market Coverage and Supply Chain Practices

Supply Chain Practices	F	Sig.
Procurement Practices	4.598	0.011
Strategic Planning and Lean Practices	1.561	0.212
Close Partnership	4.598	0.011

It is observed from the above table that significant difference exist among the units categorized based on market coverage with respect to procurement practices and lean and close partnership practices.

Mean values for procurement practices of market coverage category have been portrayed in Table 4.16.

Table 4.16 : Mean Values for Procurement of Market Coverage Category

Market Coverage	N		
		1	2
Domestic Market	171	2.76	
Both	66	3.03	
International Market	18		3.34

Based on the difference in mean values, two homogenous groups can be formed. The first group comprises of manufacturing units concentrating on domestic Market, while the second group consists of manufacturing units concentrating on international market. Hence, significant difference exists among the two groups of units categorized based on market coverage in respect of procurement practices. It can be said that the manufacturing units concentrating on international market have high level of procurement practices compare to the units concentrating on domestic market.

Mean values for close partnership practices of market coverage category have been displayed in Table 4.17.

Table 4.17 : Mean Value for Close Partnership of Market Coverage Category

Market Coverage	N		
		1	2
International Market	18	3.07	
Both	66	3.35	
Domestic Market	171		3.62

Based on the difference in mean values, two homogenous groups can be formed. The first group consists of units concentrating on International Market, while the second group consists of manufacturing units concentrating on Domestic Market. This implies that significant difference exist among manufacturing units grouped on the basis of market coverage with respect to close partnership practices. It can be observed that those manufacturing firms concentrating on domestic market command higher level of performance with respect to close partnership practices compare to those units concentrating on international market.

4.2.8 Area of Market

The chi-square value as 43.802 and significant value as 0.000 (Table 4.1) which clearly indicates that there is significant association between manufacturing enterprises grouped on the basis of area of market and their supply chain practices.

The association between area of market category of manufacturing enterprises and supply chain practices segments are shown in Figure 4.8.

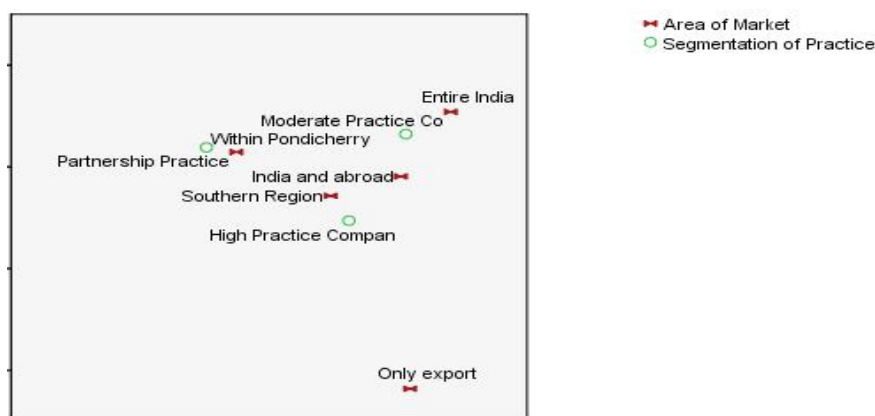


Figure 4.8 : Area of Market and Practices -Correspondence diagram

It can be noted from the above figure that units possessing both southern region, India and abroad are associated with "Highly supply chain practices units" while the units possessing regional markets within Pondicherry and Tamil Nadu are associated with "Partnership practice units", while those units enjoying merely national market are associated with "Moderate supply chain practices units".

The relationship between area of marketcategory of manufacturing enterprises and supply chain practices factor is shown in Table 4.103.

Table 4.18 : ANOVA for Area of Market and Supply Chain Practices

Supply Chain Practices	F	Sig.
Procurement Practices	3.283	0.012
Strategic Planning and Lean Practices	1.561	0.185
Close Partnership	4.148	0.003

It is observed from the above table that no significant difference exist among the group of units categorized based on area of market with respect to strategic planning and lean practices, while significant difference exist in respect of procurement practices and close partnership practices.

Mean values for close partnership practices of area of market category of manufacturing units have been displayed in Table 4.19.

Table 4.19 : Mean Values for Close Partnership of Area of Market Category

Area of Market	N		
		1	2
Entire India	36	3.18	
India and abroad	64	3.32	
Southern Region	62	3.52	
Within Pondicherry and Tamil Nadu	89	3.76	
Only export	4		4.00

Based on differences in mean values, two homogenous groups may be formed. The first group consists of manufacturing units concentrating entirely on India, both India and abroad, southern India, within Pondicherry and Tamil Nadu, while the second group consists of those units with market in exclusively foreign market. The difference is significant at 99 percent confidence level (Table 4.18, Significant value is 0.003). This implies that significant difference exist among manufacturing enterprises grouped on the basis of area of market in respect of Close Partnership practices. Those manufacturing units possessing market in the exclusively foreign market are possessing high level of close partnership practices compare to the units having market in the Entire country, India and abroad and southern India, within Pondicherry and Tamil Nadu.

4.2.9 Software Usage

The chi-square value as 12.709 and significant value as 0.002 (Table 4.1) which clearly indicates that there is significant association between manufacturing enterprises categorized based on software usage and their supply chain practices. Table 4.105 displays the T-test results in respect of manufacturing units categorized on the basis of software usage.

The relationship between software usage category of manufacturing enterprises and supply chain practices has been portrayed in Table 4.20

Table 4.20 : Independent Samples Test for Software Usage and Supply Chain Practices

Supply Chain Practices	Levene's Test for Equality of Variances		t-test for Equality of Means		
	F	Sig.	t	df	Sig.
Procurement Practices	1.083	0.299	3.178	253	0.002
Strategic Planning and Lean Practices	.012	0.913	3.292	253	0.001
Close Partnership	3.131	0.078	-0.940	253	0.348

The difference in mean value of groups of units using software and the other units in respect of procurement practices and strategic planning and lean practices is significant as the value of significance is less than 0.05, whereas there is no such significant difference in respect of close partnership practices as the significance value exceeds 0.05 (Table 4.20)

4.3 Canonical Correlation Between Supply Chain Practices and Profile of Manufacturing Industries

Canonical correlation was applied to predict the shared relationship among two or more set of variables. Results of the analysis explain the individual relationship existing between two variables and also provide overall relationship that exist between two or more set of variables. The following section describes canonical correlation between two sets of variables. First set of variables are supply chain practices consisting of variables such as procurement practices, Strategic Planning and Lean Practices and close partnership practices, while the second set of variables consist of the profile of manufacturing units namely number of employees, type and nature of industry, capital invested, nature of industry, nature of business organization used, process type, market coverage, area of market and usage of software.

Canonical Correlations in respect of supply chain practices with regard to different profile characteristics of manufacturing units are displayed in Table 4.21.

Table 4.21 : Canonical Correlation for Supply Chain Practices

		Coef.	Std. Err.	t	P> t	[95% conf. interval]	
U1							
	Procurement	.5214024	.1772393	2.94	0.004	.1723567	.8704482
	Strategic	.7752797	.1984831	3.91	0.000	.3843975	1.166162
	Partnership	-.7932785	.1751769	-4.53	0.000	-1.138263	-.4482942
V1							
	Type of Industry	.0445531	.0447891	0.99	0.321	-.0436522	.1327585
	Employees	.0844925	.1486655	0.57	0.570	-.2082815	.3772665
	Total capital	.0985151	.190248	0.52	0.605	-.2761493	.4731795
	Nature of Industry	.2544278	.2617928	0.97	0.332	-.2611331	.7699888
(Continued...)							
		Coef.	Std. Err.	t	P> t	[95% conf. interval]	
	Organization Type	.3288796	.1879647	1.75	0.081	-.0412881	.6990474
	Type of Process	.1984334	.1919635	1.03	0.302	-.1796095	.5764763
	Mark cover	-.2320836	.2589003	-0.90	0.371	-.7419483	.2777811
	Mark area	.3868071	.1882355	2.05	0.041	.0161059	.7575083
	Software	-.4379668	.3930709	-1.11	0.266	-1.21206	.3361265

		Coef.	Std. Err.	t	P> t 	[95% conf. interval]	
U2							
	Procurement	.8008544	.3046558	2.63	0.009	.2008813	1.400827
	Strategic	-1.070841	.3411717	-3.14	0.002	-1.742727	-.3989555
	Partnership	-.3259113	.3011108	-1.08	0.280	-.9189032	.2670806
V2		Coef.	Std. Err.	t	P> t 	[95% conf. interval]	
	Type of Industry	.0680523	.0769878	0.88	0.378	-.0835635	.2196681
	Employees	.323174	.2555404	1.26	0.207	-.1800739	.8264219
	Total capital	.3837212	.3270164	1.17	0.242	-.2602878	1.02773
		Coef.	Std. Err.	t	P> t 	[95% conf. interval]	
	Nature of Industry	-1.410223	.4499943	-3.13	0.002	-2.296418	-.5240276
	Organization Type	-.2078498	.3230916	-0.64	0.521	-.8441294	.4284298
	Type of Process	-.3379501	.3299652	-1.02	0.307	-.9877663	.3118661
	Mark cover	.2839423	.4450225	0.64	0.524	-.5924617	1.160346
	Mark area	.3783767	.3235572	1.17	0.243	-.2588199	1.015573
	Software	.6555085	.6756478	0.97	0.333	-.6750769	1.986094
U3							
	Procurement	-.7817143	.4543193	-1.72	0.087	-1.676427	.1129983
	Strategic	.4047841	.5087739	0.80	0.427	-.5971685	1.406737
	Partnership	-.8680609	.4490329	-1.93	0.054	-1.752363	.016241
V3							
	Type of Industry	-.179208	.1148085	-1.56	0.120	-.4052986	.046897
	Employees	.3778822	.3810758	0.99	0.322	-.3725886	1.128353
	Total capital	-.5062829	.4876647	-1.04	0.300	-1.466664	.4540983
	Nature of Industry	.4151982	.6710562	0.62	0.537	-.9063446	1.736741
	Organization Type	-.2304485	.4818118	-0.48	0.633	-1.179303	.7184064
	Type of Process	-.2991491	.4920622	-0.61	0.544	-1.26819	.6698924
	Mark cover	.4115708	.6636419	0.62	0.536	-.8953708	1.718512
	Mark area	.2194907	.4825062	0.45	0.650	-.7307317	1.169713
Software	.7632995	1.007563	0.76	0.449	-1.220942	2.747541	
Canonical correlations:		0.4025	0.2478	0.1691			

Tests of significance of all canonical correlations					
	Statistic	df1	df2	F	Prob>F
Wilks' lambda	.764054	27	710.328	2.5394	0.0000 a
Pillai's trace	.251996	27	735	2.4963	0.0000 a
Lawley-Hotelling trace	.288173	27	725	2.5793	0.0000
a					
Roy's largest root	.193321	9	245	5.2626	0.0000
u					

Two sets of data have been taken for this study. The first set contains the three factors relating to supply chain practices, while the second set consists of nine profile of manufacturing industries variables of number of employees, type and nature of industry, capital invested, nature of industry, nature of business organization used, process type, market coverage, area of market and useage of software. Based on these two sets of data, Canonical Correlation has been performed. The Canonical Correlation coefficient values in respect of these three factors are 0.4025, 0.2478 and 0.1691. Other results displayed in the above table such as df1 value of 27, df2 value of 710, f value of 2.54, Wilks's λ value of 0.7641, and p value of 0.001, which is less than 0.05, reveals that there is significant relationship between the two sets of data. To predict the overall relationship between these two sets of data, Wilk's (λ) value should be deducted from one. From the three canonical function set, the r^2 value is 0.24. This implies that the entire canonical model explains a considerable portion of about 24% of the variance. Hence, there is a decent positive correlation between the two sets of data namely, the three supply chain Practices factors and the nine variables relating to the profile of manufacturing enterprises.

5. Conclusion

Supply chain practices of the manufacturing enterprises have significant association between the three clusters grouped based on supply chain practices and the manufacturing enterprises grouped on the basis of type of industry, nature of industry, number of employees, total capital invested, type of business organization, type of process, market coverage, area of market and software usage and canonical correlation analysis result shows that 24 %, of the variance shared between the three supply chain practice factors and nine manufacturing profile variables. Supply chain practices of manufacturing firm variable shall differ among the manufacturing firms with different nature and demographic characteristics. Hence, this study has made an attempt to analyse the difference existing among the manufacturing firms with different demographic characteristics in respect of these variables, in Indian context. The

manufacturing firms in the Union Territory of Puducherry have been categorized based on their demographic characteristics to better understand their nature and features using variety of statistical tools. Understanding the characteristics of manufacturing enterprises with respect to supply chain will be useful to the policy makers, and practitioners. The policy makers can frame suitable industrial policies to attract good investment avenues. The practitioners of manufacturing enterprises can alter or tailor their strategy to suit to the needs of the manufacturing enterprises in Indian context

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A Study on Various Facets of Job and Overall Job Satisfaction of Employees Working in Banks

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Abstract

Job satisfaction is a topic of wide interest. It is the most frequently studied variable in the literature of organizational behaviour. Banking industry is the backbone and plays a vital role in the growth of Indian economy. This sector, especially after globalization and liberalization has witnessed a sea change. It may be remembered that, the core competencies that generate competitive advantage are human resources' knowledge, experience and contribution to organizational development. The human resource development plays a vital role in the successful functioning of banking industry. It is believed that the industry can improve its effectiveness and productivity, provided its employees are satisfied and developed. Therefore, a modest attempt is made in this research to analyze and compare job satisfaction in terms of certain parameters between public and private sector commercial banks situated in the city of Bangalore, Karnataka State.

1. Introduction

Job satisfaction is the most widely studied variable in the organizational behaviour since it influences productivity, turnover, absenteeism etc. Many organizations spend much time on employee satisfaction initiatives so as to reduce turnover, improve productivity and attain success. One of the biggest preludes to the study of job satisfaction is the Hawthorne studies. These studies sought to find out the effect of various conditions (most notably illumination) on the productivity of workers' productivity. These studies, firstly showed that novel changes in work conditions may temporarily increase productivity, subsequently reported that this increase is due to the knowledge of being observed, but not new work condition. This finding stood as an empirical evidence to opine that employees work for purposes other than pay. As a result, researchers have carried out investigations to find out the other factors that influence job satisfaction.

Historically speaking, the concept of job satisfaction came into vogue during 1935. Hoppock¹ defined job satisfaction as any combination of psychological, physiological and environmental circumstances that cause a person truthfully to say, 'I am satisfied

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with my job'. It is assumed that employees balance specific satisfactions against specific dissatisfactions and arrive at a composite satisfaction with the job as a whole. Locke² defined it as a pleasurable emotional state which results from the appraisal of or satisfaction about one's job value. It emanates primarily from the interaction of one's value, perception of job and environment. Spector³ regarded job satisfaction as an employee's attitude toward job and job situation. It is simply the degree of liking of people for their jobs. Therefore, some enjoy work and consider it a central part of their lives while others do so only because they have to. According to Vroom³, it is the positive orientation of an individual towards all aspects of work situation. Evans⁴ referred to four combinations, such as: sum of job facet satisfaction; sum of product of facet satisfaction and job facet; sum of difference between goal aspiration goal attainment; and sum of product of goal importance and the difference between goal aspiration and attainment. The author has concluded that the last combination is the most elegant one as it has strong correlation with overall job satisfaction. To sum up, job satisfaction is a complex set of variables. To a large extent, it is governed by perceptions and expectations. It is the resultant attitude of an employee due to a perfect relationship between perception of how well the job fulfills the needs and expectations of an individual and the extent to which these needs and expectations are actually fulfilled. Dissatisfaction emerges if there is any discrepancy between aspiration and perception.

2. Statement of the Problem

Job satisfaction is a topic of wide interest. It is the most frequently studied variable in the literature of organizational behaviour. Existing research indicates that the employee job satisfaction is important to an organization's success. Job satisfaction is generally regarded as an employee's attitude towards the job and job situation. According to Alavi and Askaripur⁵, there are at least three reasons why managers must focus on job satisfaction of their employees: Firstly, dissatisfied individuals leave organizations; Secondly, satisfied employees will be with better health and longer life span; and finally, job satisfaction in the workplace also affects individuals' private lives, which in turn has an effect on labour turnover, absenteeism, work-related attitudes and behaviour. The human resource development plays a vital role in the successful functioning of banking industry. It is believed that the industry can improve its effectiveness and productivity, provided its employees are satisfied and developed. Banking industry, being a service sector, human resources play a critical role in the effective functioning of banks. Therefore, a modest attempt is made in this research to analyze and compare job satisfaction in terms of certain parameters between public and private sector commercial banks situated in the city of Bangalore, Karnataka State.

3. Facets and Level of Job Satisfaction

The nine facets of job satisfaction are given in Table 1.

Table 1 : Facets of Job Satisfaction Survey (JSS)

Sl. No.	Facet	Description
1	Pay	Satisfaction with pay and pay raises
2	Promotion	Satisfaction with promotional opportunities
3	Supervision	Satisfaction with immediate supervisor
4	Fringe benefits	Satisfaction with fringe benefits
5	Contingent rewards	Satisfaction with rewards for good performance
6	Operating	Satisfaction with rules and procedures
7	Co-workers	Satisfaction with co-workers
8	Nature of work	Satisfaction with type of work done
9	Communication	Satisfaction with communication within the

Source: Spector, E. Paul, Job Satisfaction: Application, Assessment, Cause and Consequence, New Delhi, Sage Publications, 1997, pp.8.

4. Objectives

The specific objectives of the study are:

- (i) To study the level of job satisfaction of bank employees on various facets
- (ii) To study the ranking of Job Satisfaction Facets by the Employees of Public and Private Sector Banks
- (iii) To study the overall job satisfaction of the employees working in both public and private sector banks

5. Hypothesis

Based on the aforesaid objectives the following hypothesis is formulated and tested to find out the degree and direction of variables.

H_0 : The overall job satisfaction of employees is independent of type of bank

H_1 : The overall job satisfaction of employees is dependent of type of bank

6. Sample Design and Size

The employees working in different commercial banks situated in Bangalore city constitute the population for the present study. Samples are selected adopting multi stage sampling technique. To ensure reliability and representativeness, adequate care is taken at every stage of sampling process. In the first stage, nine public and nine private sector banks are drawn into the sample through simple random sampling method. In the second stage, 28 and 23 branches are conveniently chosen from the selected public and private bank respectively. In the third stage, 112 employees each are purposely chosen from the selected public and private sector bank branches sequentially.

7. Measuring Instruments and Data Collection

The data for the present study are collected from both the primary and secondary sources. For collecting primary data, a structured questionnaire is specially designed for the purpose. The researcher has personally contacted the respondents and administered it. Secondary data are also collected from the publications of Reserve bank of India, head offices of banks, books, journals, magazines, periodicals, and internet papers and so on.

Job satisfaction is mostly assessed through a questionnaire by asking respondents how they feel about their jobs. There are a few measures of satisfaction that are widely used in research. The JSS is one of the important measures of job satisfaction. In the present study, JSS is used to elicit data on the level of job satisfaction among the participants. It assesses nine facets of job satisfaction as well as overall satisfaction.

8. Data Analysis and Findings

Analysis of overall satisfaction scores are depicted in the Table 2. A look at the Table reveals bank category wise level of overall job satisfaction of employees. In the case of public sector banks, overall job satisfaction was in the range of 186-216 in 14.2 per cent of employees, followed by 17 per cent in each of the remaining classes. Nearly 18 per cent of employees have scored satisfaction in the frequency of 156-186.

Table 2: Bank Category-wise Overall Job Satisfaction of Employees

Overall satisfaction score	Type of bank		Total
	Public	Private	
36-66	19 (17.0)	19 (17.0)	38 (17.0)
66-96	19 (17.0)	17 (15.2)	36 (16.0)
96-126	19 (17.0)	19 (17.0)	38 (17.0)
126-156	19 (17.0)	18 (16.0)	37 (16.5)
156-186	20 (17.8)	18 (16.0)	38 (17.0)
186-216	16 (14.2)	21 (18.8)	37 (16.5)
Chi-square value 1.00 NS			

Note: (i) Figures in parentheses are percentages to total

(ii) NS. Not significant

With regard to private sector banks the proportion of employees in each of 36-66 and 96-126 groups was 17 per cent. Similarly, the share of employees in each of the frequency of 126-156 and 156-186 was 16 per cent. Nearly 19 per cent of employees have scored the overall job satisfaction of 186-216. When both the categories of banks are considered together, 16.5 per cent of employees scored satisfaction in the range of 186-216. A similar proportion of employees are in the frequency of 126-156. Seventeen per cent of employees have obtained a score of 36-66, 96-126 and 156-186. The relationship between overall job satisfaction score and type of bank is insignificant. This is due to chi-square value, which works out to one. This is less than the book value.

In order to study the significance difference in the level of job satisfaction employees of public and private sector banks, it is hypothesized that the overall job satisfaction of employees is independent of type of bank. To test the hypothesis, job satisfaction of both the sets of employees is measured and the satisfaction scores thus obtained are presented in Table: 3. All the employees of public and private banks were categorized into dissatisfied and satisfied on the basis of median value. The median value is 140. Thus the dissatisfied group consists of employees who score 140 and less. The rest are satisfied ones i.e. who score 141 and more.

Table 3 : Overall Job Satisfaction of Employees and Type of bank

Type of bank	Overall satisfaction		Total
	Dissatisfied	Satisfied	
Public	57 (50.9)	55 (49.1)	112 (50.0)
Private	55 (49.1)	57 (50.9)	112 (50.0)
Chi-square value 0.79 NS			

Note :(i) Figures in parentheses are percentage to total (ii)NS: Not significant

Chi-square test is applied to see whether there is any significant association between the groups. It can be observed that nearly 51 per cent employees are dissatisfied and the rest are satisfied in the case of public sector banks. A converse situation emerges among the employees of private sector banks. Chi-square value is insignificant. This means that Ho: overall job satisfaction of employees is independent of type of bank is accepted and H1: overall job satisfaction of employees is dependent of type of the bank is rejected. This illustrates that there is no significant association between overall job satisfaction score of employees and type of bank.

Table 4 illustrates the rankings of employees of public and private sector banks on the basis of mean scores on each facet of job satisfaction. It can be observed that the differences in the ranking of job facets by respondents are not pronounced. It is one and the same in the case of nature of work, co-workers, pay, contingent rewards, fringe benefits and operating conditions. The rank difference is two in communication while one each in supervision and promotion. Both the categories of employees have given top most priority to nature of work followed by co workers where as the least to operating conditions. The employees of public sector banks have accorded third, fourth and fifth places to communication, supervision and promotion respectively. In the case of private sector banks, supervision, promotion and communication occupy the aforesaid positions respectively.

Table 4 : Ranking of Job Satisfaction Facets by the Employees of Public and Private Sector Banks

Sl. No.	Facet	Public sector bank			Private sector bank		
		Mean	Standard deviation	Rank	Mean	Standard deviation	Rank
1	Pay	15.3036	4.8968	6	14.5893	4.2119	6
2	Promotion	15.8304	4.4375	5	16.6786	5.3461	4
3	Supervision	16.8839	4.7812	4	16.8304	5.0651	3
4	Fringe benefits	13.1071	5.1454	8	14.3750	5.7220	8
5	Contingent rewards	13.1875	4.2923	7	14.4643	4.5061	7
6	Operating conditions	11.9821	3.1622	9	13.0625	3.0352	9

Sl. No.	Facet	Public sector bank			Private sector bank		
		Mean	Standard deviation	Rank	Mean	Standard deviation	Rank
7	Co-workers	17.5446	3.9613	2	17.1964	4.4252	2
8	Nature of work	19.4911	3.9751	1	17.8839	4.8523	1
9	Communication	17.0536	5.0150	3	16.1071	5.4133	5
10	Overall Job satisfaction	140.3839	28.5364		141.1875	29.9105	

An analysis of job satisfaction of employees on various facets in both the public and private sector banks reveals that the employees of public sector banks are more satisfied with pay, supervision, coworkers, nature of work and communication, whereas, employees of private sector banks are more satisfied with promotion, fringe benefits, contingent rewards and operating conditions. The chi-square values are significant with reference to pay, supervision, contingent rewards and operating conditions and type of bank. On the other hand, these are insignificant with regard to promotion, fringe benefits, coworkers and communication and type of bank. This means that relationship between pay, supervision, contingent rewards and operating conditions and type of bank is significant. On the contrary, there is no significant association between promotion, fringe benefits, coworkers and communication and type of bank. With regard to overall satisfaction scores in various groups of employees, there is not much variation in the opinions of employees of both public and private banks. Chi-square value is insignificant. This shows that there is no significant relationship between different class intervals of job satisfaction scores and type of bank. With reference to the study of significance difference in the level of job satisfaction between the employees of public and private sector banks, chi-square value is insignificant. This means that that there is no significant association between overall job satisfaction score and type of bank.

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Factors Influencing Online Shopping Behavior of Students in Engineering Colleges at RangaReddy District

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Abstract

Online shopping is in advance thrust in India Inc. With internet penetration improving in the country, smart phones becoming inexpensive and lifestyles becoming excited, the way people used to shop are varying. Also with a huge portion of young and working population, Indian demographics are a delight for E-Retailers. As a shopping medium, internet is attracting humans. Youthful people can get used to newer technologies in very short span. Hence they can adapt internet as an instrument for shopping. In order to get the trust and attention of Indian consumers in this virtual shopping world there are numerous aspects of consumer behavior which call forexploration. This research has tried to analyze the online shopping behavior and online shopping activities of UG & PG students in engineering colleges in RangaReddy Region. This study finds out whether students studying in Engineering Colleges are comfortable with the click-of-the mouse purchase, any particular factor of online buying which delights him. To answer such questions the present research provides an insight. This study aims to classify the most important factors which influence online buyer considers while making online purchases by Correlation analysis. The results have shown various reasons like time saving, less price, promotional activities offered by E-Retailers, Ease in payment are the factors influencing online shopping behavior of Student respondents Research results show that both male & female are more interested to purchase goods such as Apparels, electronics, Books.

1. Introduction

At present, Internet is not simply a networking media, but it is furthermore used as a means of transaction for consumers at worldwide market. The usage of Internet has grown rapidly over the past years and it has turned out to be a universal means for delivering and trading information, services and goods. Even Indian Government is promoting E- Services. NeGP (National e-Governance Plan) is a plan of the Government of India to make all administration services available to the citizens of India via electronic media. This plan was a conclusion of the recommendations of the second Administrative Reforms

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Commission. It is under the administration of the Department of Information Technology of the Ministry of Communications and Information Technology, Government of India.

But fortunately or unfortunately this policy can be utilized by more of literates than illiterates. This study enables to know the factors that influence online buying behavior of student's. The focus of the study is to analyze the pros & cons of student's perception towards e-shopping. As they are much more aware of purchase modes & payment modes. Also this study enables to understand motivational drives of students to purchase goods online.

India has an internet client base of about 213 million as of Jan 2014 and 243 million by June 2014. The penetration of e-commerce is low compared to markets like the United States and the United Kingdom but is growing at a much faster rate with a huge digit of new entrants. Internet Penetration in India, given its populace, is still low. That's the cause for the growth rate here to be much elevated than that in the US. The industry consensus is that growth is at an inflection point. The growth in the US was slow, as it already had more than 200 million of its 300 million populations using the internet. India, on the other hand, has a large addressable mass. So, the growth rate is much higher.

To understand what Indian consumer is buying online and what the factors are coming in his/her mind while exploring the online stores, this study is being undertaken. In fact in a study conducted by the name of "Great Online Shopping Festival" has found that more than 50% of online buying is contributed by non-metros than Metros (Google India, 2013). In fact to highlight the increasing popularity of e-retailing the same study (Google India, 2013) has found that 2013 has been a phenomenal growth year in the chapters of Indian online shopping story as it has witnessed 128% increase in consumer interest in the year 2011-12.

With the ever-increasing usage of smart phones and enhanced broadband connectivity, the online shopping trend is getting a boost. Also the kind of convenience attached by doing shopping with the click of the mouse this trend is further going to get boost up. Our daily schedules are getting more chaotic and further with increasing fuel expenses, trip to our favorite retail stores has become expensive. In such a circumstances consumers have started appreciating the hassle free online shopping mode. Yes, visiting favorite store has a factor of hedonic pleasure attached to it, but simplicity of saving time, energy and efforts has started taking priority.

Here are the Top five reasons to purchase online are cash on delivery, fast delivery, considerable discounts compared to market, access to brands, cash back guaranty on faulty goods. Top five reasons for not purchasing or preventing goods online are ability

to touch and try goods before purchasing, ability to return faulty purchase goods, immediate access of goods after purchase, unwillingness to post personal & financial details on internet, in ability to bargain.

The study has been conducted on students of engineering colleges in RangaReddy District. In this study attempt has been made to analyze factors influencing online shopping behavior of students. To explain the model used for the study, the study was done by taking demographic features of the consumers who were purchasing goods online. Seven factors or dimensions were analyzed based on which the factors influencing the student buying behavior was analyzed. The seven factors are time, price, promotions, ease in payment, USP, privacy / security and value for money.

2. Review of Literature

According to the latest survey conducted by Google & TNS Australia "Online Shopping Trends in India, 2013 - A Google India report", the study indicates that 9 out of 10 online customers intend to spend more on online shopping. The areas that contribute to growth include a greater contribution from non-metros than metros. Shoppers have shifted to apparels and accessories as a category; this category has emerged as one of the most purchased category. In 2014 this category will overtake electronics to become a leading category on online shopping. There will be increasing contribution from new emerging categories like baby products, health care products, home & furnishing. Jongeun Kim says in her study 'Analyzing College Students' Online Shopping Behavior through Attitude and Intention' that the consumer factor, comprised of privacy, security and trust, time saving, ease of use, convenience, enjoyment provided by shopping, company reputation and tactility, was most significant for who intended to purchase online and who did buy online. Chuck Comegys in his study investigated that the online purchase behavior of a key segment of the population, the "Net Generation" undergraduate college-aged student, from two of the countries with the greatest potential for e-marketing opportunity, the United States and Ireland. In addition to identifying college students' Internet activities, his research provides useful comparative information concerning how frequently students from each country interactively shop online, how much they spend, what they purchase, as well as respond the question whether students from the two countries under study approach the Buyer Decision Process differently in their use of the Internet. Research summarized by Deborah H. Lester (2005) focused on college-age consumers' responses to purchasing on the Internet. Young adults were exclusively targeted because of their generation's tech-savvy embracing of anything wired. Over 780 university students were surveyed and answered a 108-item self-administered questionnaire. The study specifically addressed the issues of how often and why Internet purchases were made. As expected over 95% of the college-age market

uses the Internet and over 91% of that group completes online purchases. Close to a quarter of the buyers are spending over \$500 per year on Internet merchandise and they are making those purchases with their own credit cards. They are purchasing banking service, concert tickets, apparel and entertainment products. These young adults are also purchasing cars, mortgages and appliances over the Internet, but in smaller numbers. Dawn Valentine, Georgia Southwestern State University (2013) in his paper examines online product search and purchase behaviors of Generation Y. A survey of 116 undergraduate college students with questions regarding the types of products researched and purchased over the Internet, the type of information they looked for when researching the products, reasons for not purchasing products online, and reasons for returning products purchased over the Internet. While both male and female college students use the Internet to research and purchase products, the findings indicate that they differ significantly in the types of products they research and purchase online, the kinds of information they required when researching products over the Internet, and their reasons for not purchasing a product online.

3. Objective of Study

The objective of the study is to analyze the factors influencing online shopping behavior of students in engineering colleges.

4. Research Methodology

Data Collection and Questionnaire Design: To understand influencing factors of online shopping both primary as well as secondary data has been used.

This study is based on Primary Data Collected by administering questionnaire to 100 Respondents in RangaReddy District. The respondents were students studying in engineering college who have online shopping experience. Engineering Colleges in this Region includes UG & PG courses such as B.Tech, B.Pharmacy, Mtech, MBA and MCA. Survey method was adopted for this study. To collect the primary data a questionnaire was developed with questions based on demographic profile of the respondents and 7 factors and 13 elements to measure the attitude of respondents on a five point likert scale.

Sample Size and Sampling Method: To collect the data convenience sampling method was used. Students were asked to participate research voluntarily. Finally 154 questionnaires were given to students and 126 questionnaires returned from the participants. After checking questionnaires 26 questionnaires were eliminated and finally research carried with 100 questionnaires.

Statistical Analysis: To explain the factors or dimensions influencing the consumer behavior to purchase online, the data was statistically analyzed by using SPSS

(version 16.00), tools & techniques used are t-test, correlation bivariate analysis was done. Also the researcher has used pivot tables to analyze the data.

5. Data Analysis & Findings of the Study

Gender preference to purchase various types or categories of goods

Table 1 : Gender preference of various types of Products

Gender	Apparel	Books	Electronics	FMCG	Music & Software	Others
Female	45%	24%	16%	3%	0%	13%
Male	35%	15%	35%	4%	4%	6%

**Source: Primary data - Field Survey*

Research participants when compared by gender and preference of purchase category result showed that 45% of female are attracted to purchase apparel's when compared with male only 35% prefer to purchase apparels. More male "35%" interested in purchasing electronic goods online when compared to female only 16% are interested in purchasing Electronic goods , 24% of female are interested in purchasing books. 15% of male are interested in purchasing books. 13% of female are interested in purchasing other products such as shoes, makeup products, accessories etc.Result shows that both male and female are preferring to purchase apparels online. While same level of importance is given by males to purchase electronic products online.

Demographic influence on preference to purchase online frequently

Table 2: Demographic (Age, Education level) influence on online purchase decision

Education Level & Frequency to Purchase Online	18-25 Years	More than 25 Years
Under Graduation		
Once in 6 months	28%	0%
Once a year	21%	0%
Frequently or at least once a month	18%	0%
Never brought online	7%	0%
Post Graduation		
Once a year	10%	23%
Once in 6 months	8%	23%
Frequently or at least once a month	6%	8%
Never brought online	2%	46%

**Source: Primary data - Field Survey*

Research participants when analyzed on the basis of demographic features such as age factor and education level factor, it is identified that under graduate students (18%) under the age group 18-25 years are the most participants who prefer online shopping than any other mode of purchasing goods. This shows a positive trend towards online shopping. Even post graduate students (06%) prefer to purchase more frequently online. 21 % of under graduate students of Age group between 18-25 years prefer to purchase once a year, 10% post graduate students of age group 18-25 years & students of the same category whose age is more than 25 years are preferring to purchase once a year. Hence online shopping websites can create more attracting promotional offers with much penetrating pricing strategies in order to attract and grab this section of people. 28% under graduate students of Age group between 18-25 years prefer to purchase once in six months. Based on this finding it can be said that most of the undergraduate students are using online shopping. Post graduate students 46% have never purchased online.

Table 3 : Age-wise preference of product categories

Age of Students	Apparel	Books	Electronics	FMCG	Music & Software	Others
18-25 years	41%	19%	28%	3%	3%	8%
Above 25 years	29%	14%	14%	14%	0%	29%

**Source: Primary data - Field Survey*

Research participants when analyzed on the basis of age factor 41% of students under the age group 18-25 years are preferring to purchase apparels online, 29% of the age group above 25 years are also preferring to purchase apparels and other category of goods such as shoes, accessories, cosmetics etc online. 28% of the students under age group 18-25 years prefer to purchase electronics. Next 19% of the same age are preferring to purchase books online. 14 % of the participants who are above 25 years are interested to purchase books, electronics, FMCG products. Based on this finding it can be said that young students under the age group 18-25 are attracted towards purchasing apparels' online. Apparels and Electronics has emerged as the most purchased categories.

Table 4: Preference of product categories based on age & Gender

Gender/Age of Students	Apparel	Books	Electronics	FMCG	Music & Software	Others
Female	45%	24%	16%	3%	0%	13%
18-25 years	48%	24%	18%	0%	0%	9%
Above 25 years	20%	20%	0%	20%	0%	40%
Male	35%	15%	35%	4%	4%	6%
18-25 years	35%	15%	35%	4%	4%	7%
Above 25 years	50%	0%	50%	0%	0%	0%

**Source: Primary data - Field Survey*

Research participants when analyzed on the basis of age & gender 48% of female & 35% of male under the age group 18-25 years are preferring to purchase apparels online, while 20% of female above 25 years & 50% of male in same category prefer to purchase apparels online. 24% of the female & 15% of male under the age group 18-25 years are preferring to purchase books online. 20% of female above 25 years are preferring to purchase books online. 35% of the male of 18-25 years prefer to purchase electronic goods online. 40% of female above 25 years prefer to purchase other category of goods online. 20% of the same age & gender prefer to purchase FMCG goods online. According to the results female of 18-25 years age group & Male of above 25 years are preferring to purchase apparels online. Apparels & Electronics are the most preferred goods to purchase online. 24% Females prefer to purchase books online.

Factors influencing in making purchase decision by participant demographic features

Table 5 : T-Test Report on Factors influencing in making online purchase Decision by Participant Gender and Age

Gender	Age Group		Online shopping saves time in purchasing	Online prices are lower than actual price	Unique products are available in online shopping	Shopping online provides Privacy / security to customer	Online shopping provides Value for money	Ease in payment for the goods	Promotional offer in online shopping is the main choice of shopping
Male	18-25 years	Mean	4.22	3.8	3.61	3.43	3.59	3.8	3.71
		Variance	1.053	1.041	1.742	1.667	1.58	1.166	1.583
		Std. Deviation	1.026	1.02	1.32	1.291	1.257	1.08	1.258
	More than 25 years	Mean	5.43	5.14	5	5.29	5.29	5.29	5.14
		Variance	0.952	2.476	3	1.571	1.571	1.571	2.476
		Std. Deviation	0.976	1.574	1.732	1.254	1.254	1.254	1.574
Female	18-25 years	Mean	4.34	3.68	3.45	3.55	3.5	3.71	3.84
		Variance	1.042	1.898	2.254	2.2	1.716	2.049	1.65
		Std. Deviation	1.021	1.378	1.501	1.483	1.31	1.431	1.285
	More than 25 years	Mean	4.5	2.83	4.67	3.67	2.83	3.5	3.83
		Variance	1.1	3.367	0.667	3.867	2.567	3.1	2.967
		Std. Deviation	1.049	1.835	0.816	1.966	1.602	1.761	1.722

**Source: Primary data - Field Survey*

Research participants Mean score compared by their gender and age results were given in table 5. According to the results there was a significant difference in online shopping behavior. Male

Participants who are above 25 years of age have more sub scale score (M=5.43, SD=0.92) think that online shopping saves time than female participants of the same age group (M=4.5, SD= 1.04). While Male Participants who are 18-25 years of age have more sub scale score (M=4.2, SD=1.026) say that online shopping saves time, female participants of the same age group is (M=4.34, SD=1.021).

Table 6: T-Test Report on Factors influencing in making online purchase Decision by Participant Gender

Gender		Online shopping saves time in purchasing	Online prices are lower than actual price	Unique products are available in online shopping	Shopping online provides Privacy / security to customer	Online shopping provides Value for money	Ease in payment for the goods	Promotional offer in online shopping is the main choice of shopping
Male	Mean	4.38	3.96	3.79	3.66	3.8	3.98	3.89
	Variance	1.184	1.381	2.062	2.01	1.87	1.436	1.879
	Std. Deviation	1.088	1.175	1.436	1.418	1.367	1.198	1.371
Female	Mean	4.36	3.57	3.61	3.57	3.41	3.68	3.84
	Variance	1.027	2.112	2.196	2.344	1.829	2.129	1.765
	Std. Deviation	1.014	1.453	1.482	1.531	1.352	1.459	1.328

**Source: Primary data - Field Survey*

Research participants mean score when analyzed from student responses towards factors influencing in making online purchase decision, it is observed that most motivating drive to make online purchase is time factor and male participants (M=4.38, SD=1.088) mean score is more when compared to females (M=4.36, SD=1.014). The next motivating factor to make online purchase is ease in payment, male participants (M=3.98, SD=1.198) mean score is more when compared to females (M=3.68, SD=1.459). The next factor which is influencing the purchase behavior is price, most of the male participants (M=3.96, SD=1.175) prefer this factor. The next preferred option is promotional offers provided by online retailers, the mean score of male participants (M=3.96, SD=1.175) is high when compared to female participants mean score (M=3.84, SD=1.765). less preference has been given to factors like Online shopping provides Value for money & Shopping online provides Privacy / security to customer. Results show that male participants top preference to purchase online involves time saving, ease in payment etc, whereas female participants top preferences are time factor, promotions and ease in payment.

Table 7: Respondents purchase behavior based on Family Income

Family Income	Frequently or at least once a month	Never Brought Online	Once a Year	Once in 6 months
Less than Rs. 15,000	23%	21%	10%	32%
Rs. 15,001 – Rs. 30,000	9%	14%	40%	21%
Rs. 30,001 – Rs. 45,000	23%	7%	17%	24%
Rs. 45,001 – Rs. 60,000	18%	21%	13%	6%
More than Rs. 60,001	27%	36%	20%	18%

***Source: Primary data - Field Survey**

Research participants when analyzed on the family income & purchase frequency, it is analyzed that income groups who are having family income more than Rs 60,000 are purchasing goods more frequently .

Table 8: Respondents purchase behavior based on Student Personal Income (Pocket Money)

Student Personal Income (Pocket Money)	Frequently or at least once a month	Never Brought Online	Once a Year	Once in 6 months
Less than Rs 1000	27%	71%	67%	48%
Rs 1001 - Rs 2000	23%	14%	17%	21%
Rs 2001 –Rs 3000	9%	0%	7%	9%
More than Rs 3001	41%	14%	10%	21%

**Source: Primary data - Field Survey*

When analyzed on the student personal income (pocket money)& purchase frequency, 41% of students who are having pocket income with "More than Rs 3000" are purchasing more frequently online and 9% of student respondents who are having pocket income between" Rs 2000-Rs 3000" are least interested in purchasing online. 71% of Students who are getting pocket money "less than Rs 1000" have never done online shopping.

Table 9: Respondents preference towards online purchasing of product category

	Frequency	Percent	Valid Percent
Apparel	34	34	34
Electronics	23	23	23
Books	16	16	16
Others	8	8	8
FMCG	3	3	3
Music & Software	2	2	2

**Source: Primary data - Field Survey*

The above table explains about the most preferred category of products by the respondents. Frequency of "Apparels" is 34 and it is the product category which is purchased mostly by the respondents. Respondents next preference of purchase is "Electronics" and its frequency is 23, "Books" is the next most purchased products by the online users, frequency of online books purchasers is 16. The preferred goods to purchase online is "Music & Software" frequency is 2.

Table 10: Correlation relation between sub scores

	Online shopping saves time in purchasing	Online prices are lower than actual price	Promotional offer in online shopping is the main choice of shopping	Unique products are available in online shopping	Ease in payment for the goods	Online shopping provides Value for money	Shopping online provides Privacy / security to customer
Online shopping saves time in purchasing	1	0.665	0.463	0.607	0.513	0.553	0.553
		0	0	0	0	0	0
Online prices are lower than actual price	0.665	1	0.585	0.561	0.541	0.603	0.558
	0		0	0	0	0	0
Promotional offer in online shopping is the main choice of shopping	0.463	0.585	1	0.575	0.483	0.528	0.56
	0	0		0	0	0	0

	Online shopping saves time in purchasing	Online prices are lower than actual price	Promotional offer in online shopping is the main choice of shopping	Unique products are available in online shopping	Ease in payment for the goods	Online shopping provides Value for money	Shopping online provides Privacy / security to customer
Unique products are available in online shopping	0.607	0.561	0.575	1	0.467	0.469	0.519
	0	0	0		0	0	0
Ease in payment for the goods	0.513	0.541	0.483	0.467	1	0.595	0.614
	0	0	0	0		0	0
Online shopping provides Value for money	0.553	0.603	0.528	0.469	0.595	1	0.626
	0	0	0	0	0		0
Shopping online provides Privacy / security to customer	0.553	0.558	0.56	0.519	0.614	0.626	1
	0	0	0	0	0	0	

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

**Source: Primary data - Field Survey*

In order to understand correlation among the sub scale, correlation test was done and this can be seen in Table 10. According to the correlation results there is

Positive and weak correlation between online shopping saves time in purchasing, online prices are low, promotional offer in online shopping is main choice of shopping, unique selling proposition, ease in payment, online shopping provides value for the money, shopping online provides privacy/security to customer sub scale scores were found.

Positive and somewhat relation between online shopping saves time in purchasing and Promotional offer in online shopping is the main choice of shopping, Unique products are available in online shopping, Ease in payment for the goods, Online shopping provides Value for money, Shopping online provides Privacy / security to customer.

While negative and somewhat weak correlation between online shopping saves time in purchasing and online shopping provides value for the money, ease in payment.

Conclusions & Suggestions

As the expectation of the E-Shoppers are increasing day by day, so do E-commerce spending is increasing in a rapid rate. The study reveals that Male students are more interested in purchasing goods online when compared to female students. This study exhibits that the Factors such as shopping online saves time, availability of the product for less price, promotions that E-Retailers are providing, ease in payment are the motivating drives to encourage students to shop more online. However both male & female respondents were preferring to purchase goods online and they were more interested to buy apparels, electronic goods and books through online. E-Retailers must try to encourage Net banking mode other than card payment mode in order to improve privacy & security of their customers. Also they should try to provide value for money to the customers.

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Comparative Physical Performance of New Private Sector Banks in India

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Abstract

Private-sector banks have been functioning in India since the beginning of the banking system. Initially, during 1921, the private banks like bank of Bengal, bank of Bombay and bank of Madras were in service, which all together formed Imperial Bank of India. There are two categories of the private-sector banks: "old" and "new". The old private-sector banks have been operating since a long time and may be referred to those banks, which are in operation from before 1991 and all those banks that have commenced there business after 1991 are called as new private-sector banks. The present research paper is aimed to analyze and compare the physical performance of new private sector banks and offer suggestions for the improvement of Performance. For the purpose of analysis of comparative physical performance, the selected parameters are profit, total business, advances, deposits, number of branches and number of employees. The analysis of comparative physical performance for new private sector banks used the statistical tools like mean, standard deviation and correlation.

It indicates that the profit of Axis Bank, HDFC and ICIC Bank is more than the overall profit of private sector banks but other four banks profit is less than the overall average profit of Rs. 1717.6 crores. It clears that all parameter of Axis Bank, HDFC Bank and ICICI Bank SD is above the private sector banks average SD and remaining four banks SD is below. Hence the degree of reliability is less in case of Development Credit Bank (DCB), IndusInd Bank (IB), Kotak Mahindra Bank (KMB) and Yes Bank (YB). Hence we concludes that the ICICI, HDFC and Axis Bank physical performance is good compared with average of overall new private sector banks. Finally, we can also conclude that there is a significant difference among new private sector banks physical performance.

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Introduction

Private-sector banks have been functioning in India since the beginning of the banking system. Initially, during 1921, the private banks like bank of Bengal, bank of Bombay and bank of Madras were in service, which all together formed Imperial Bank of India. Then from the early 1990s, RBI's liberalization policy came in picture and with this the government gave licenses to a few private banks, which came to be known as new private-sector banks.

There are two categories of the private-sector banks: "old" and "new". The old private-sector banks have been operating since a long time and may be referred to those banks, which are in operation from before 1991 and all those banks that have commenced their business after 1991 are called as new private-sector banks.

Housing Development Finance Corporation Limited was the first private bank in India to receive license from RBI as a part of the RBI's liberalization policy of the banking sector, to set up a bank in the private-sector banks in India. The present private-sector banks equipped with all kinds of contemporary innovations, monetary tools and techniques to handle the complexities are a result of the evolutionary process over two centuries. They have a highly developed organizational structure and are professionally managed. Thus they have grown faster and stronger since past few years. The banks, which came in operation after 1991, with the introduction of economic reforms and financial sector reforms are called "new private-sector banks". Banking regulation act was then amended in 1993, which permitted the entry of new private-sector banks in the Indian banking sector. However, there were certain criteria set for the establishment of the new private-sector banks, some of those criteria being:

1. The bank should have a minimum net worth of Rs. 200 crores.
2. The promoters holding should be a minimum of 25% of the paid-up capital.
3. Within 3 years of the starting of the operations, the bank should offer shares to public and their net worth must be increased to 300 crores.

Meaning and definition

Bank is an institution that deals in money and its substitutes and provides crucial financial services. The principal type of banking in the modern industrial world is commercial banking and central banking.

Banking Means "Accepting Deposits for the purpose of lending or Investment of deposits of money from the public, repayable on demand or otherwise and withdraw by cheque, draft or otherwise."

"Banking in the most general sense, is meant the business of receiving, conserving & utilizing the funds of community or of any special section of it."

Objectives of the Study

The present paper is aimed to examine the following objectives:

1. To analyze and compare the physical performance of new private sector banks.
2. To offer suggestions for the improvement of performance of new private sector banks.

Methodology

Source of Data

The study is based on secondary data. The data were collected from the official directory and data base of Centre for Monitoring Indian Economy (CMIE) and RBI Reports. The published annual reports of the new private sector banks taken from their websites, magazines and journals on finance have also been used as sources of data.

To assess the comparative physical performance of new private sector banks, the study used the statistical tools like mean, standard deviation, correlation and covariance.

Period of Study

The study covers a period of five years from 2008 - 2012.

Hypotheses

From the above objectives of the following hypothesis is formulated to test the financial efficiency of the select banks:

H_0 - "There is no significant difference among new private sector banks physical performance".

Scope of the Study

The research paper covers all new private sector banks i.e., Axis Bank (AB), Development Credit Bank (DCB), Housing Development Financial Corporation (HDFC), Industrial Credit Investment Corporation of India (ICICI) Bank, IndusInd Bank (IB), Kotak Mahindra Bank (KMB) and Yes Bank (YB).

Limitations of the Study

The major limitation of the present study is that the analysis is restricted to one particular sector such as banking. It is confined to only measure the physical performance of new private sector banks. The inherent limitation is secondary data. The published

data is not uniform and not properly disclosed by the banks. Hence, this may be taken as another limitation.

Comparative Physical Performance

The present research paper is aimed to analyze and compare the physical performance of new private sector banks. For the purpose of analysis, the following are the selected physical parameters like profit, total business, advances, deposits, number of branches and number of employees. It used the statistical tools like mean, standard deviation and correlation.

Correlation Analysis : To study the degree of interrelationship between the parameters selected for the study, Karl Pearson co-efficient has been calculated. It describes the extent to which one variable is linearly related to another correlation can be used to measure the degree of relationship among two variables, which is usually represented by the symbol "r" Statistical formula for correlation is as below.

$$r = \frac{n(\sum xy) - (\sum x)(\sum y)}{\sqrt{[n\sum x^2 - (\sum x)^2][n\sum y^2 - (\sum y)^2]}}$$

Correlation is basically whether or not there is any relationship between two sets of data.

If there is any kind of relationship then a change in one variable can be associated with a change in the other. A lot of relationships are in fact linear but very few are actually perfect because there are normally other factors involved. It will not tell you to what extent the two data sets are related. For this you need to use the Covariance component.

A coefficient of 1 denotes a perfect positive correlation; a coefficient of -1 denotes a perfect negative correlation and a coefficient of 0 means that there is no correlation.

Profit

Table 1 : Profit after Tax Rs. In Crores

Years	AB	DCB	HDFC	ICICI	IB	KMB	YB	NPSB Avg
2008	1071	38	1590	4158	75	362	200	
2009	1815	-88	2245	3758	148	247	304	
2010	2514	-78	2949	4025	350	616	478	
2011	3388	21	3926	5151	577	832	727	
2012	4242	55	5167	6465	803	1009	977	
Avg.	2606	-10.4	3175.4	4711.4	390.6	613.2	537.2	1717.63
SD	1252.84	67.4485	1410.7	1112.96	302.045	316.916	316.638	682.792

Source: Compiled from annual reports of the banks.

The analysis reveals that the mean of private sector banks profit is ranging from -10.4 to 4711.4 crores with the overall mean is 1717.63 crores. It clearly indicates that the profit of Axis Bank, HDFC and ICICI Bank is more than the overall profit of private sector banks but other four banks profit is less than the overall average. The highest average profit is ICICI Bank but lowest is DCB average profit, it is negative.

The standard deviation of private sector banks profit is ranging from 67.45 to 1410.7 crores with the overall average SD is 682.79 crores. The highest standard deviation is HDFC Bank but lowest is DCB. The table shows that Axis Bank, HDFC Bank and ICICI Bank SD is above the private sector banks average SD and remaining four banks SD is below. The degree of reliability is less in case of Development Credit Bank (DCB), IndusInd Bank (IB), Kotak Mahindra Bank (KMB) and Yes Bank (YB).

Table 2 : Inter Correlation Analysis

	X1	X2	X3	X4	X5	X6	X7
X1	1						
X2	0.36939	1					
X3	0.99521	0.43245	1				
X4	0.87485	0.73963	0.91434	1			
X5	0.99133	0.48005	0.99538	0.92138	1		
X6	0.94047	0.57104	0.94551	0.90476	0.9716	1	
X7	0.99286	0.47409	0.99811	0.92524	0.99894	0.96051	1

The above table reveals the correlation matrixes of profit of new private sector banks. It is learnt from the table that there is a close relation between X1 and X3, X5, X6 and X7 at 0.01 level. In case of X3, there is a close relationship with X4, X5, X6 and X7 at 1% level. A penetrating observation of the table brings us to average and infer that X4 is having a close relationship with X5, X6 and X7 at 1% of significance. There exists a significant and close relationship between X5 and X6 and X7. It observed that the variable X6 are closely related with X7 at 1% level of significance.

Total Business**Table: 3 Total Business in crores**

Years	AB	DCB	HDFC	ICICI	IB	KMB	YB	NPSB Avg
2008	164635	10147	189173	410115	30488	34783	21518	
2009	218614	7360	234984	399238	35538	28548	26400	
2010	240420	8194	306139	269708	45083	42875	47188	
2011	359818	10674	364060	197928	59147	55640	87236	
2012	404977	10552	432137	178791	73873	68699	98605	
AVG	277693	9385	305299	291156	48826	46109	56189	147808
SD	100756	1510	97431	109099	17753	16188	35119	46482

Source: Compiled from annual reports of the banks.

The analysis reveals that the mean of private sector banks average total business is ranging from 9385 to 305299 crores with the overall mean is 147808 crores. The highest average total business is HDFC Bank but lowest is DCB. It clearly indicates that the average total business of Axis Bank, HDFC and ICIC Bank is more than the overall average total business of private sector banks but other four banks average total business is less than the overall average.

The standard deviation of private sector banks total business is ranging from 1510 to 109099 crores with the overall average SD is 46482crores. The highest standard deviation is ICICI Bank but lowest is DCB. The table shows that Axis Bank, HDFC Bank and ICICI Bank SD is above the private sector banks average SD and remaining four banks SD is below. The degree of reliability is less in case of Development Credit Bank (DCB), IndusInd Bank (IB), Kotak Mahindra Bank (KMB) and Yes Bank (YB).

Table 4 : Total Business - Inter Correlation Analysis

	X1	X2	X3	X4	X5	X6	X7
X1	1						
X2	0.967	1					
X3	0.956	0.919	1				
X4	-0.891	-0.932	-0.951	1			
X5	0.9763	0.921	0.993	-0.915	1		
X6	0.961	0.929	0.999	-0.954	0.992	1	
X7	0.986	0.985	0.973	-0.953	0.974	0.979	1

Source: Compiled from annual reports of the banks.

The above table reveals the correlation matrixes of total business of new private sector banks. It is learnt from the table that there is a close relation between X1 and X3, X5, X6 and X7 at 0.01 level of significance positively correlated but X1 and X4 negatively correlated. In case of X2, there is a highly positive relationship with X3, X5, X6 and X7 at 1% level and variable between X2 and X4 highly negatively correlated. The variable which is significantly correlated at 1% level is X3 with those of X5, X6 and X7 but negatively correlated X3 with X4. It observed that the variable X4 is highly negatively correlated with X5, X6 and X7 at 1% level of significance. A penetrating observation of the table brings us to average and infer that X5 is having a close relationship with X6 and X7 at 1% of significance. There exists a significant and close relationship between X6 and X7.

Advances

Table 5 : Advances (Crores)

Years	AB	DCB	HDFC	ICICI	IB	KMB	YB	PS.AVG
2008	59661	4069	63427	225616	12795	15552	9430	
2009	81557	3174	98883	218311	15771	16625	12403	
2010	104341	3460	125831	181206	20551	20775	22193	
2011	142408	4282	159983	216366	26166	29329	34364	
2012	169759	5284	195420	253728	35064	39079	37989	
AVG	111545	4053.8	128708.8	219045.4	22069.4	24272	23275.8	76138.63
SD	44678.1	820.41	51449.08	25911.35	8854.82	9893.99	12752.67	22051.49

Source: Compiled from annual reports of the banks.

The analysis reveals that the mean of private sector banks average advances is ranging from 4054 to 219045 crores with the overall mean is 76139 crores. The highest average advance is ICICI Bank but lowest is DCB. It clearly indicates that the average advances of Axis Bank, HDFC and ICICI Bank is more than the overall average advances of private sector banks but other four banks average advances is less than the overall average.

The standard deviation of private sector banks advances is ranging from 820 to 51449 crores with the overall average SD is 22051 crores. The highest standard deviation is HDFC Bank but lowest is DCB. The table shows that Axis Bank, HDFC Bank and ICICI Bank SD is above the private sector banks average SD and remaining four banks SD is below. The degree of reliability is less in case of Development Credit Bank (DCB), IndusInd Bank (IB), Kotak Mahindra Bank (KMB) and Yes Bank (YB).

Table 6 : Advances - Inter Correlation

	X1	X2	X3	X4	X5	X6	X7
X1	1						
X2	0.982	1					
X3	0.997	0.986	1				
X4	0.664	0.774	0.663	1			
X5	0.986	0.993	0.995	0.702	1		
X6	0.991	0.998	0.994	0.738	0.997	1	
X7	0.982	0.929	0.972	0.531	0.944	0.947	1

The above table reveals the correlation matrixes of advances of new private sector banks. It is learnt from the table that there is a close relation between X1 and X2, X3, X5, X6 and X7 at 1% level of significance. In case of X2, there is a close relationship with X3, X5, X6 and X7 at 1% level. The variable which is significantly correlated at 1% level is X3 with those of X5, X6 and X7. A penetrating observation of the table brings us to average and infer that X5 is having a close relationship with X6 and X7 at 1% of significance. There exists a significant and close relationship between X6 and X7.

Deposits

Table 7 : Deposits in crores

Years	AB	DCB	HDFC	ICICI	IB	KMB	YB	PS.AVG
2008	87626	6075	100769	244431	19037	16424	13273	
2009	117374	4647	142811	218348	22110	15644	16169	
2010	141300	4787	167404	202017	26710	23886	26799	
2011	189238	5610	208586	225602	34365	29260	45939	
2012	220104	6336	246706	255500	42361	38536	49152	
AVG	151128	5491	173255	229180	28916.6	24750	30266.4	91855.3
SD	53568.9	754.519	56697.9	21173.7	9476.84	9531.29	16596.9	23971.4

Source: Compiled from annual reports of the banks.

The analysis reveals that the mean of private sector banks average deposits is ranging from 5491 to 229180 crores with the overall mean is 91855crores. The highest average deposits are ICICI Bank but lowest is DCB. It clearly indicates that the average deposits of Axis Bank, HDFC and ICIC Bank is more than the overall average deposits of private sector banks but other four banks average deposits is less than the overall average.

The standard deviation of private sector banks deposits is ranging from 820 to 51449 crores with the overall average SD is 22051crores. The highest standard deviation

is HDFC Bank but lowest is DCB. The table shows that Axis Bank, HDFC Bank and ICICI Bank SD is above the private sector banks average SD and remaining four banks SD is below. The degree of reliability is less in case of Development Credit Bank (DCB), IndusInd Bank (IB), Kotak Mahindra Bank (KMB) and Yes Bank (YB).

Table 8 : Deposits - Inter Correlations

	X1	X2	X3	X4	X5	X6	X7
X1	1						
X2	0.9848	1					
X3	0.99737	0.98853	1				
X4	0.82113	0.90741	0.83655	1			
X5	0.99494	0.99022	0.99956	0.84702	1		
X6	0.97881	0.95862	0.98781	0.77628	0.98836	1	
X7	0.97992	0.93555	0.9646	0.71339	0.95634	0.94312	1

The above table reveals the correlation matrixes of deposits of new private sector banks. It is learnt from the table that there is a close relation between X1 and X2, X3, X5, X6 and X7 at 1% level of significance. In case of X2, there is a close relationship with X3, X4, X5, X6 and X7 at 1% level. The variable which is significantly correlated at 1% level is X3 with those of X5, X6 and X7. A penetrating observation of the table brings us to average and infer that X5 is having a close relationship with X6 and X7 at 1% of significance. There exists a significant and close relationship between X6 and X7.

Number of branches

Table 9 : Number of branches

Years	AB	DCB	HDFC	ICICI	IB	KMB	YB	PS.Avg
2008	651	104	745	1271	195	182	68	
2009	831	110	1422	1432	195	225	118	
2010	1035	110	1725	1719	231	257	151	
2011	1460	110	1986	2565	321	329	215	
2012	1657	114	2544	2780	397	363	356	
AVG	1126.8	109.6	1684.4	1953.4	267.8	271.2	181.6	799.257
SD	422.624	3.57771	667.617	680.036	88.7085	74.2644	111.15	292.568

Source: Compiled from annual reports of the banks.

The analysis reveals that the mean of private sector banks average number of branches is ranging from 110 to 1953 branches with the overall mean is 799branches. The highest average branches are ICICI Bank but lowest is DCB. It clearly indicates that the average branches of Axis Bank, HDFC and ICIC Bank is more than the overall average branches of private sector banks but other four banks average branches is less than the overall average.

The standard deviation of private sector banks branches is ranging from 4 to 680branches with the overall average SD is 293branches. The highest standard deviation is ICICI Bank but lowest is DCB. The table shows that Axis Bank, HDFC Bank and ICICI Bank SD is above the private sector banks average SD and remaining four banks SD is below. The degree of reliability is less in case of Development Credit Bank (DCB), IndusInd Bank (IB), Kotak Mahindra Bank (KMB) and Yes Bank (YB).

Table 10 : Total Branches - Inter correlations

	X1	X2	X3	X4	X5	X6	X7
X1	1						
X2	0.72294	1					
X3	0.95723	0.87498	1				
X4	0.99601	0.67277	0.92863	1			
X5	0.98967	0.81304	0.98186	0.97747	1		
X6	0.99988	0.72911	0.95805	0.99599	0.99114	1	
X7	0.93212	0.92404	0.98893	0.90323	0.97345	0.9352	1

The above table reveals the correlation matrixes of total number of branches in new private sector banks. It is learnt from the table that there is a close relation between X1 and X3, X4, X5, X6 and X7 at 0.01 level of significance positively correlated. In case of X2, there is a highly positive relationship with X7 at 1% level. The variable which is significantly correlated at 1% level is X3 with those of X4, X5, X6 and X7. It observed that the variable X4 is highly negatively correlated with X5, X6 and X7 at 1% level of significance. A penetrating observation of the table brings us to average and infer that X5 is having a close relationship with X6 and X7 at 1% of significance. There exists a significant and close relationship between X6 and X7.

Number of employees

Table 11 : Number of employees

Years	AB	DCB	HDFC	ICICI	IB	KMB	YB	PS.AVG
2008	14739	2235	37386	40686	2869	9058	3150	
2009	20624	1942	52687	34596	4251	8227	2671	
2010	21640	1591	51888	35256	5383	8804	2906	
2011	26341	2174	55752	26929	7008	10400	3929	
2012	31738	2053	66076	25253	9370	11207	5642	
AVG	23016.4	1999	52757.8	32544	5776.2	9539.2	3659.6	18470.31
STDEV	6388.52	254.436	10288.3	6374.65	2518.2	1226.43	1204.93	4036.49

Source: Compiled from annual reports of the banks.

The analysis reveals that the mean of private sector banks average number of employees is ranging from 1999 to 52758 branches with the overall mean is 18470 employees. The highest average employees are HDFC Bank but lowest is DCB. It clearly indicates that the average employees of Axis Bank, HDFC and ICICI Bank is more than the overall average employees of private sector banks but other four banks average employees is less than the overall average.

The standard deviation of private sector banks employees is ranging from 254 to 10288 employees with the overall average SD is 4036 employees. The highest standard deviation is HDFC Bank but lowest is DCB. The table shows that Axis Bank, HDFC Bank and ICICI Bank SD is above the private sector banks average SD and remaining four banks SD is below. The degree of reliability is less in case of Development Credit Bank (DCB), IndusInd Bank (IB), Kotak Mahindra Bank (KMB) and Yes Bank (YB).

Table 12 : Employees - inter Correlation

	X1	X2	X3	X4	X5	X6	X7
X1	1						
X2	0.5841233	1					
X3	0.9597472	0.509613889	1				
X4	-0.941669	-0.793035485	-0.842865102	1			
X5	0.9917741	0.49493912	0.937941331	-0.914283	1		
X6	0.9753725	0.618314549	0.874237261	-0.969034	0.97698078	1	
X7	0.9954062	0.53793871	0.980423589	-0.9091	0.98686514	0.950842201	1

The above table reveals the correlation matrixes of total number of employees in new private sector banks. It is learnt from the table that there is a close relation between

X1 and X3, X5, X6 and X7 at 0.01 level of significance positively correlated but with X4 it is negatively correlated. In case of X2, there is a negative correlation with X4 at 1% level. The variable which is significantly correlated at 1% level is X3 with those of X5 and X7 but X4 negatively correlated. It is observed that the variable X4 is highly negatively correlated with X5, X6 and X7 at 1% level of significance. A penetrating observation of the table brings us to average and infer that X5 is having a close relationship with X6 and X7 at 1% of significance. There exists a significant and close relationship between X6 and X7.

Conclusions

1. The analysis reveals that the profit, total business, advance, deposits, number of branches and employees of Axis Bank, HDFC and ICIC Bank is more than the average of private sector banks but other four banks is less than the overall average and its degree of variability also less.
2. The correlation matrixes of profit of new private sector banks are positive correlation except Development Credit Bank (X2).
3. Finally we conclude that physical parameters among new private sector banks are significance difference. The performance of the Axis Bank, HDFC and ICIC Bank are good compared with the new private sector banks.

Suggestions

In the light of the above conclusions the following suggestions may be made:

1. The Loss of DCB is not good hence it should be increase the total business otherwise better to merge with other banks.
2. The number of employees of the HDFC bank is more compared with other banks but compared with ICIC bank its profit and business also low. Hence utilize the employees more profitable way.
3. The profits of IndusInd Bank, Kotak Mahindra Bank and Yes Bank are very low. Hence try to increase the business and control the expenses otherwise very difficult to survive.

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Impact of Emotional Intelligence on Employee Performance- An Epigrammatic Survey

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Abstract

It is universally accepted piece of information that intelligence is hard to define. But we come to understand it through various means of measurements. However, positive to this point, emotional intelligence has come to mean a measurement of emotions. The concept of emotional intelligence (EI) has attracted substantial interest of organizational thought. The validity of EI is mainly depends on the situation and focus of interest. In a number of empirical investigations, it has been observed that emotional intelligence and its related competencies are associated with excellence in personal, interpersonal, performance and organizational goals. It is an increasingly important consideration in human resource planning, job profiling, recruitment etc. Argues about the positive influence of emotional intelligence (EI) on performance front are very numerous, both in commercial and Scientific literature. In this study, using a characteristic activation framework, we put forward the level and the relationship between emotional intelligence and employee performance. To authenticate the research by using appropriate statistical tools, a sample of 120 employees were analyzed who are working in different types of organizations in Chennai city. The motivating outcome of the research indicates that employees having higher emotional intelligence show a better quality of work performance as compared to their counterparts. To be more apparent, emotional intelligence has a positive impact on employee performance. In addition, emotional perception ability shows signs of higher job performance and confirmed that EI is a significant predictor of employee performance.

Keywords- Emotional Intelligence, Employee performance, Predictor, Perception, Impact.

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Introduction

Emotional Intelligence is one of the most important concepts introduced to psychology and management in the last decade. Emotional intelligence may be defined as an ability, capacity, skill, or self-perceived ability to identify, assess, and manage the emotions of one's self, of others, and of groups. Salovey & Mayer (1990) defined emotional intelligence as, the subset of social intelligence that involves the ability to monitor one's own and others' feelings and emotions, to discriminate among them and to use this information to guide one's thinking and actions? (p. 189). Their model includes features of intelligence, adjustability and encouragement.

Generally Emotional intelligence comprises abilities, Appraisal and Expression of Emotion (own and others), Use of Emotions and Emotional Management (own and others) (Wong & Law, 2002). EI has become increasingly recognized as a suitable for the measurement of emotions. Hence, Emotional intelligence is an essential factor responsible for determining success in life and psychological wellbeing. By this means, emotional intelligence seems to play a significant role in shaping the communication between people especially employees in their work environment.

As today's global environment is so gung ho and very multifaceted, it has become necessary to associate the emotional intelligence and performance of employees' globally. Thus, Emotional intelligence is a crucial factor for organization's performance and growth as the organization is mainly dependent on employees for achieving its goals. Therefore Emotional Intelligence plays an important role in helping the employees to cope with this vibrant change in the business environment.

For the above said reasons, a modest study has been undertaken to establish the link between emotional intelligence and employee performance and to give an idea how emotional intelligence is important to employees in the current scenario. With this the following objectives are steadfastly fixed for the research.

Objectives

1. To find out the relationship Emotional Intelligence has on Employee Performance
2. To analyse the level of Emotional Intelligence on Employee Performance
3. To make known the importance of EI in the workplace.

Research Methodology

The sample was collected by using convenient sampling method and the data was collected from the employees working in different sectors who were easily available to provide it. The targeted population for this research was the employees working in

different organizations in Chennai city. Total number of 140 questionnaires was distributed. Out of which 120 were considered as consistent and taken for the study.

The data collected was analyzed using SPSS Version 17. Regression analysis was carried out to show the intensity between independent and dependent variable and to measure the impact that an independent variable have on the dependent variable.

Table 1 : Regression Analysis For Emotional Intelligence And Employee Performance

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.631	.398	.366	.1591

Source Primary Data

H_0 - There is no association between emotional intelligence and employee performance.

H_1 - There is an association between emotional intelligence and employee performance.

Inference

From that above regression table, as R represents the correlation between dependent variable and independent variable, it can be identified that the correlation between independent variable (emotional intelligence) and dependent variable (employee performance) are positive. Further it can be noted that they have correlated at a high degree, since R value is 0.631 which is > 0.5 significant level. In other words, an employee performance increases with an increase in his emotional intelligence. It is noteworthy to mention that R value has been arrived by taking various elements of emotional intelligence like self-awareness, self regulation, self motivation, social awareness and social skills of an employee.

Further, it can be evidenced that the coefficient of determination is 0.631 therefore, about 63% of the variation in the employee performance data is explained by emotional intelligence. The regression equation appears to be very useful for making predictions about the employee performance based on emotional intelligence since the value of r^2 is moving towards 1.

Table 2 : Co-efficient Matrix

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	4.600	.181		25.456	.000
	EI	.144	.045	-.279	-3.172	.002

Source Primary Data

From above, the regression equation can be made as

$$\text{Employee performance} = 4.600 + (.144) (\text{Emotional Intelligence})$$

The above Coefficients table tells us that employee performance is increases by .144 of increase in emotional intelligence. And the t value identified the relationship between emotional intelligence and employee performance. The 'Sig' value is 0.000 which is again less than 0.05, we can reject the null hypothesis and conclude that that there exists enough evidence to prove the existence of relationship between emotional intelligence and employee performance.

Table 3 : Anova Test

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	.370	1	.370	10.062	.002
Residual	4.378	119	.037		
Total	4.749	120			

H0 - The model is not a good fit to the data.

H1 - The model is a good fit to the data.

Inference

From the above ANOVA table, it can be noted from the last column that the 'Sig' (p) value is 0.002. As the p value is typically less ≤ 0.05 , we shall reject the null hypothesis and state that at the 0.05 level of significance, there exists an enough evidence to conclude that the model is a good fit the data and will apply to the whole population.

Limitations

It is worth mentioning that this research has some limitations. In the first place, the survey was conducted and sample was collected only from 120 employees, which may not be applicable to all and will vary according to the location. Secondly, self report measure of emotional intelligence was used for this study. Thus only one instrument was used for collecting data. Though there are many claims regarding the positive impact of emotional intelligence on job performance, but the studies examining the relationship between emotional intelligence and individual level performance which may not consider the work place and other related concepts of job performance and such elements are absent in this study.

Findings

Emotional intelligence is a set of competencies, which direct and control one's feelings towards work and performance at work. These set of competencies are the ability of the individuals to control and manage their frame of mind and inclination on the job.

Interesting findings of the present study have been listed below.

OBJECTIVE 1 -To find the relationship does EI has on EP

- The research pointed out that there is a positive relationship between job performance and employees having high EI. To be more clear that the employees who are able to apprise themselves and others and proficient to manage emotions of self and others resulted in a higher level of confident in themselves.
- With regard to regulating and appraising the emotions of own and others, it clearly evidenced that they are less proficiency when compared to their counterparts as well.

OBJECTIVE 2 -To analyse the level of EI on EP

- High emotional intelligence employees performed at a higher level than low emotional intelligence employees.
- In addition, it has been noted that the employees who have low level of Emotional Intelligence. Can able to perform comparatively at a lower level.

OBJECTIVE 3 - To make known the importance of EI to improve EP

- An organization with a high number of emotionally intelligent employees stands to be at the forefront of organizational practice and performance, and is more likely to be an employer of choice.
- Many researches also support the view that competence in Emotional Intelligence accounts for over 80% to 90% of the difference between ineffective performers and effective performance. Effective performers improve business performance and provide organizations with a competitive advantage.

Conclusions

In general, the impact of the activities of an individual over a given period of time is regarded as performance. Organizational productivity and its success are mainly depends and directly related in managing Employees' performance. On One hand, Emotional intelligence is a now being identified as a good predictor of employees' work performance. Many organizations require interpersonal interactions to achieve the goals

and it has been seen as most of jobs are related to emotions and require the ability to manage emotions. But on the other hand by simply possessing EI cannot lead to higher performance unless it affects how people use their emotions at work setting.

Thus, Emotional intelligence plays an important role in the workplace. For example, success in sales requires the empathic ability to identify the mood of the customer and the interpersonal skill to decide when to pitch a product and when to keep quiet. By comparison, success in painting or professional tennis requires a more individual form of self-discipline and motivation. Thus EQ affects just about everything we do at work

Apparently, employees can handle their emotions accurately and use certain behaviors in the workplace that allow them to gather better information, grip others' behavior or make better decisions about their activities. In a work situation, performance of the employees depends on working with group of people with different ideas, suggestions, and opinions. The high EI individual, most centrally, can better perceive emotions. It is one of the primary forms of information that human beings process.

Generally speaking, emotional intelligence improves an individual's social effectiveness and their well behaviour in the society. It is clear that higher the emotional intelligence, better the social relations. It doesn't mean that everybody has to process it well. Everyone needs emotional intelligence to help us through our emotionally demanding days. Even if we are not emotionally intelligent ourselves, we may rely on those higher in emotional intelligence to guide us.

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"Empirical Study on the Feasibility and Scope of Shariah-Compliant Financial Product in Indian Scenario"

- Anoop Mohanty*

Abstract

This paper aims at studying customer preference towards Islamic banking products in Indian context. The purpose of highlighting these issues is to draw the attention of policy makers, regulators, researchers and consumers so as to re-assess the scope and feasibility of Islamic banking in Indian scenario. The data was collected from various districts of Bihar, Himachal Pradesh and Punjab. The study used factor analysis and perceptual mapping techniques. Religious binding, increasing disposable income and growing emphasis on financial inclusion creates huge scope for Islamic banking in India provided needful amendments in banking legislations. It was concluded that majority of respondents were not aware about interest free mechanism. The following study identified that factors like prioritized option for financial need, structure of Islamic banking, awareness level about Shariah law, requirement of Islamic banking products strongly affect the perception of the consumers.

Keywords: Islamic Banking, Profit Sharing, Riba, Shariah principles, Zakat.

Introduction

In the ancient times, banks acted as merchants who grant loans to artisans, farmers and traders who travelled many cities. In Greece and Italy temples based lenders made loans with the innovation of two important facilities i.e. accepting deposits and changing money. In India, Shahukar system was widely prevalent. Shahukar charge exorbitant interest charge from the borrowers. In ancient India during the Maurya dynasty (321 to 185 BC), an instrument called Adesha was used, which corresponds to the definition of a bill of exchange. There is sufficient evidence of its considerable use during the Buddhist period. Merchants also used it for circulation of funds among their community traditionally known as Hundis. In India, organized banking originated in the last decades of the 18th century. Reserve Bank of India acts as an apex institution for regulation of Indian banking system. Indian banking is dominated by Conventional banking which

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works on "Interest Based Mechanism". Conventional banking facilitates the transfer of resources from those who have excess to those that require additional resources for their various business activities. Conventional bank's major source of income is the difference in interest rates spread or gap (i.e. gap mean Interest earned- Interest expanded.). There is a famous quote that "necessity is the mother of all invention." For last few decades, another form of banking is gaining importance worldwide due to its enormous publicity and demand i.e. Interest free banking. It refers to a system based on Shariah principles, developed over a period of time by taking references of The holy book 'Quran' and 'Sunnah'. Shariah system is based on certain principles

- i) the collection and payment of interest (Riba) is prohibited.
- ii) the avoidance of speculation (Gharar);
- iii) the introduction of an Islamic tax, (Zakat) etc.

The expansion and wider acceptance of Shariah based financial industry started in the 1970's whereby a large number of Financial Institutions were established like Islamic Development bank in 1975. Islamic banking recently gained popularity in west Asia and Muslim dominated countries such as Indonesia, Egypt, Sudan and Malaysia. Seeing the huge potential of untapped resources many leading conventional banks like HSBC, Standard Chartered, Citi Bank etc. have started shariah based banking through their existing structure with a separate windows system. In India nineteen percent of population belongs to Muslim sect with reservation against the existing conventional banking system. Hence Indian Muslims are also demanding for the introduction of Interest free banking parallel to conventional system. Government of India plays a significant role in controlling the financial market in India. With contradiction in the operational aspects RBI has been very conservative on this issue.

Feasibility of Application of Interest free Banking in India

Strength: Muslim population residing in India is restricted from engaging with existing commercial banking system on religious grounds. Interest free banks were totally un-affected by subprime mortgage crisis. As there is no fixed interest obligation for the borrower hence it will help the weaker section of society to get access to finance at affordable cost removing mass poverty. With equity participation mode interest free banking can save our financial and economic enterprises from bankruptcy.

Weakness: According to section 5(b) of the Banking Regulation Act, commercial banks are prohibited to invest in profit-loss sharing avenues. The widespread lack of business ethics among business community will affect the path of Islamic banking. The defaulter of conventional banking will tend to shift towards interest free regime. With

total contrast in modus operandi lack of co-ordination between the two systems will create wider gap. Lack of religious binding for the customers of religions other than Muslims will give impetus for creation of Non- performing asset. Interest free banking is regulated by Shariah law which lacks standardization and transparency.

Opportunity: Muslims avoiding conventional banking in India due to religious constraints would welcome it. Interest free banking can be profitably implemented to resolve social problems related to economy. Interest free banking introduction in India would attract the Foreign Direct Investment through equity financing from the gulf countries with huge oil surplus. It would bring in the much needed capital for the development of Indian financial system. It will also remove the biasness towards Indian Muslims. Being a successful model in other nations it deserves to be tested and experimented in India. It is only feasible with amendments in existing legal framework.

Threat: Interest free banking a bases on Shariah Law will be seen as a threat by radical Hindus (Majority) It will take the shape of communal issue rather than a proposal with merit and will be criticized due to its limitations of lack of uniform practices and transparency. A major chunk of Muslim population is not aware about the Shariah based banking so we need to educate and spread awareness on this matter. The Indian Banking industry dominated by conventional banking set up is not technically competent to monitor such products and services. Study on the feasibility of Interest free banking revealed that respondents are not comfortable in expressing their views that due to fear of deprivation of financial benefits provided by Indian government.

Review of Literature

Ahmad (2008) discussed that of Islamic financial system On the basis of qualitative research he concluded that group of user have clear understanding about interest free banking. He found that Muslims, even being the second largest community in United Kingdom has only few Islamic banks to cater the entire community so severe need for more institution. Islamic banking has shortage of qualified and skilled team members in marketing, sales and financial sectors. Awan (2009), Chris De Noose (2009), Khan and Alam (1994) has compared the Islamic institutions with selected conventional banking in Pakistan, Europe and Bangladesh. On the basis of their comparison they found that Islamic banks recorded consistent growth since their inception. They discussed different Islamic banking products along their profit-loss sharing mechanism. Fatima (2009) discussed about the various products and services offered by State Bank of Pakistan. They highlighted the legal and regulatory framework designed over a period in Pakistan for conversion of existing system into Islamic set up. Later on Sole (2007) highlighted the introduction of Islamic institutions into conventional banking systems.

He concluded that practitioners were unfamiliar about the transformation process by which Islamic banks are introduced into a conventional system. Sarah (2008) and Raqeeb (2010) has discussed about the Muslims community in India on the basis of Sachar Committee report based on census 2001 data, the percentage of household availing banking facilities is much lower in towns and villages where the Muslim population is high. This is due to a certain mindset and reservations prevailing in Muslims for conventional banking sector. Prohibition of interest and thus for reasons of faith, Muslims are away from the conventional banks. It was concluded that interest free banking could attract Muslims towards banking due to the reason it provides equality. There are some researchers which had discussed about the introduction of Islamic banking in India. Ansari (2009) has discussed that the Islamic Banking system can be introduced in India without any amendments in the Banking Regulation Act of India, 1949 and he also shunned the misconception that Islamic financial system is for Muslims only rather for all human beings. Raqeeb (2011) and Isaac (2011) concluded that Islamic Banking has a bright future in India. Sixty per cent people of the country are not covered by the conventional banking and most of them are marginalized and minority group. Small farmers, skilled labourers, petty traders etc neither have collateral nor credit worthy as per banking standards and minorities like Muslims are excluded because of interest based banking which is strictly prohibited in their faith. The later researcher found that regulations in the banking sector require changes so as to explore new avenues in financing major projects. He urged all political parties to discuss of Islamic banking to finance infrastructure projects. Afterwards, Shamshad (2011) suggested that India has the potential of emerging as a significant market for Islamic Banking Institutions, provided there should be a favorable change in regulatory environment and increased awareness among Muslims in India. Michael (2003) discussed about the several tools for carrying out of Interest free banking transactions based on the partnership model. Jorg Bley and Kermit Kuehn (2011) have suggested overcoming widespread ignorance is crucial. Educating the market along with the selection for market friendly packaging of Islamic products would aid in the competitiveness of Islamic financial products relative to conventional products. Sharma (2010) has concluded interest free microfinance will provide credit facility to rural poor. Imam and Kpodar (2010) illustrates that per capita income, share of Muslims in the population and status as an oil producer are linked to the development of Islamic banking. Karim Khediri (2010) described factors (bank's characteristics, financial structure and macroeconomics variables) that contribute towards the profitability of Islamic banks in Africa. Aziz (2011) discussed about the role of Government in a Muslim state and nature of Zakat (a religious tax). He found that Zakat alone cannot fulfill the requirement of financing of Government Expenditure.

Objectives of Study

1. To determine the factors responsible for consumer perception towards Islamic banking over conventional banking products.
2. To study the scope of Interest free (Islamic) banking products in Indian Scenario.

Research Methodology

Sample size - The sample selected was of 200 respondents.

Sampling Techniques: The sampling method was Cluster sampling technique based on convenience from Madhubani-Bihar, Mandi-Himachal Pradesh and Jalandhar-Punjab. It includes 75% male and 25% female respondents in between the age of 21- 40.

Analysis tools: In this factor analysis and perceptual mapping techniques were used to analyze the outcome of the survey.

KMO Test has value of 0.874, thus the sample size is adequate. Sample passes the KMO Test.

Hypothesis set for the Study

H₀: Consumers don't have any positive preference for Non interest banking products.

H₁: Consumers have a significant positive preference for Non interest banking products.

Result and Analysis

Factor Analysis is a tool used to extract the most relevant factors which are highly correlated with each other. Factors are selected on Eigen value. Only those factors are selected whose Eigen value is greater than or equal to 0.5.

Particulars asked from respondents.	Rotated Component		
	1	2	3
Priority option for financial need	-.614	-.620	-.061
Structure of Islamic bank	-.661	-.416	.011
Awareness about Shariah principal	.611	.148	.154
Islamic bank as alternative to conventional banking	.634	.405	.109
Choice for Islamic bank accounts.	.598	.114	.174

Particulars asked from respondents.	Rotated Component		
	1	2	3
Islamic banking facility will be helpful in financial	.770	.112	.089
Micro credit without any collateral will improve the living standard of society	.650	-.243	.279
Prefer Wadiah over conventional saving bank account	.379	.239	.612
Prefer Sukuk over Bond.	.208	.254	.655
Mudharabh over venture capital fund.	.439	.570	.484
Prefer Murabah over Home loan.	.311	.471	.637
Prefer Quard al hasan over Educational loan.	-.086	.031	.515
Prefer Takaful over insurance.	.131	.188	.840
Aware about BSE-Tasis Shariah 50 Index.	.044	.848	.148
Preference of BSE-Tasis Shariah 50 Index over Nifty/ Sensex.	.376	.606	.420
Aware about Shariah-compliant Mutual Fund over conventional Mutual Fund.	.057	.777	.319
Prefer Shariah-compliant Mutual Fund over Conventional Mutual Fund	.525	.599	.328

On the basis of factor analysis these factors are extracted and variables are classified into three categories as stated below:

	Product Offer : 1	Product Offer : 2	Product Offer : 3
Factors Combinations	Awareness of customer about Shariah principal	Customers prefer Mudharabah over venture capital	Customer prefer Wadiah over conventional
	Islamic bank as alternative to conventional banking	Customer awareness about BSE-TASIS Shariah 50 Index.	Customer prefer Sukuk over Bond.

	Product Offer : 1	Product Offer : 2	Product Offer : 3
Factors Combinations	Choice for Islamic bank account as against conventional bank A/c	Preference of BSE-TASIS Shariah 50 Index over NIFTY/	Customers prefer Murabah over Home loan.
	Islamic banking facility will be helpful in financial inclusion	Customer awareness about Shariah-compliant Mutual Fund over conventional Mutual	Customers prefer Quard al Hasan over Educational loan.
	micro credit without any collateral will improve the living standard of society	Customer prefer Shariah-compliant Mutual Fund over conventional Mutual Fund.	Customers prefer Takaful over insurance.
	Customer prefer wadiah over conventional saving bank account		

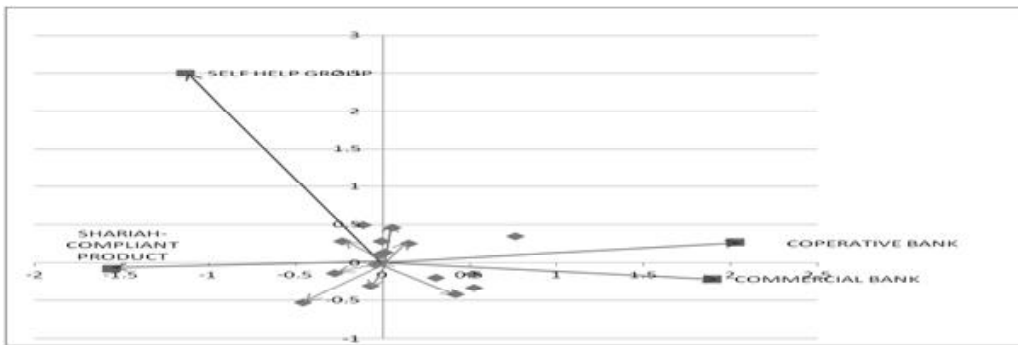
1. Product offering 2 is more suitable for those customers who are interested in capital market instrument, without compromising on their religious belief. Product offering 3 is meant for an individual or a group with radical approach towards Islamic Banking based on religious sentiments.
2. It can be offered in the form of any of the three offerings which consists of specific factor as stated above.
3. If Shariah-Compliant Financial products / services are offered in the aforesaid stated manner then there are more chances that it will cater the needs of majority of prospects so as to have wider acceptance.
4. On the basis of analysis, 4 dominating factor are selected which have high correlation with other variables.
 - i. Priority option for financial need.
 - ii. Structure of Islamic banking need.
 - iii. Awareness level about Shariah law.
 - iv. Islamic banking as an alternative to conventional banking.

In this study, we have further used perceptual mapping technique to strength the finding and drawing conclusions based on the survey inputs.

Perceptual Mapping

Each table represents the correlation of each factor with respect to others. The thumb rule perceptual mapping is that we will consider only that choice where dots (maximum number of respondent) are closely located. The closer and densely they are located with respect to A axis, they are likely to be accepted for drawing the conclusion.

a) Priority option for financial need

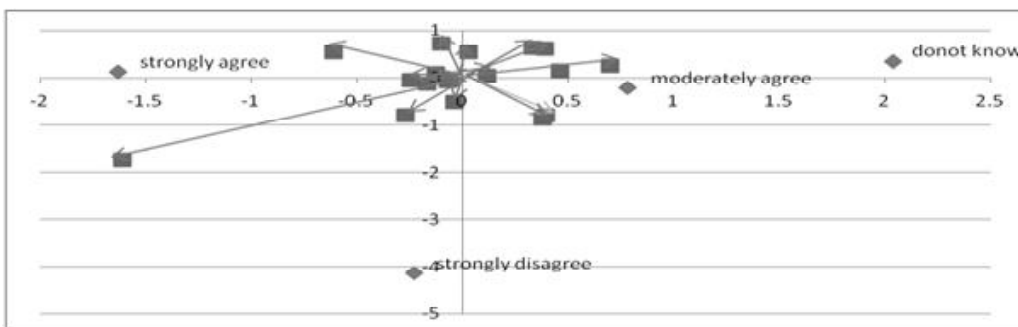


Source: Primary data based on Questionnaire.

Interpretation

1. Respondents will prefers Self-help group model or Shariah-compliant products (if available) as compared to conventional banking and cooperative banking model.
2. In present scenario respondents are using Self-help Group model for fulfilling their financial needs.

b) Islamic bank as alternative to conventional banking

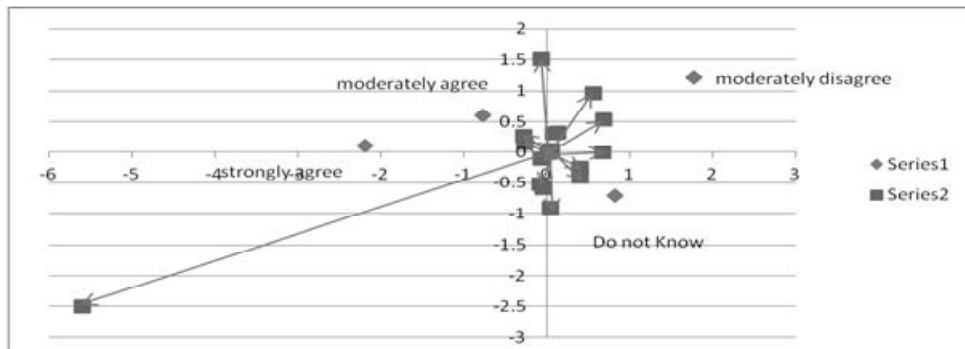


Source: Primary data based on Questionnaire.

Interpretation

1. Majority of respondents feels that Islamic bank can act as alternative to conventional banking.
2. Major proportions of responses lies in the region of strongly agree or moderately agree option.

c) Preference of BSE-Tasis Shariah 50-Index over Nifty or Sensex

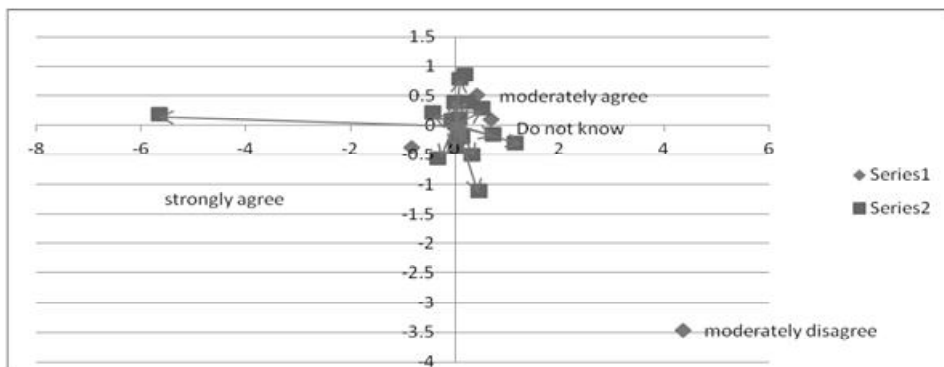


Source: Primary data based on Questionnaire.

Interpretation

1. Majority of the respondents are not aware about BSE-TASIS Shariah 50 Index, so there is a mix response towards the preference of BSE-TASIS Shariah 50 Index over Nifty or Sensex.
2. However the return of BSE-TASIS Shariah 50 Index outperforms the Sensex or Nifty.
3. It seems that there is a strong need for creating awareness about BSE-Tasis Shariah 50 Index so that more people can reap the benefit of Capital market.

d) Micro Credit without collateral will improve the living standard of society



Source: Primary data based on Questionnaire.

Interpretation

1. Majority of respondents are either moderately agrees or they do not know about the fact that the impact of Micro credit without any collateral will improve the living standard of society.
2. Respondents have given a mix response in this regard.
3. It seems that people are not much aware about the long term consequences of Micro credit without any collateral in the society.

Findings of the Study

The study on scope or feasibility of Interest Free Banking Shariah Complaint products in

Indian Scenario found the following:

1. The study concluded that non-Muslim people are excited about Islamic banking products. But Non Muslims people require Interest free concept of banking not Islamic banking; means name should be interchanged.
2. Muslim people are very strict about their religion. Majority of the Muslim Population demand fully fledged Islamic banking in India not through separate window in conventional Banking System.
3. There is great scope of growth of Islamic Banking in India. This would definitely help to attract equity finance from the gulf countries (Petro Dollars).
4. Conservative attitude of regulators followed by poor awareness more awareness is required as people do not know even about the basic banking financial products. In Villages, ATM facility is not provided so they have no knowledge about this kind of bank facilities also.
5. India being a secular country, people are free to choose their system and hence present phase of banking i.e. Conventional Banking needs to be complemented by alternative modes. People especially minority and below poverty segments demand Islamic banking to fulfill the gap in the existing banking.
6. A country like India with heterogeneous population needs other alternatives in addition to conventional banking for better achievement of national goal of financial inclusion.
7. Income level of Muslim families (per annum) is very low making commercial banking as inaccessible devise.
8. Muslim especially girls are not interested sharing their ideas due to social constraint.

Muslim population is not aware of even their own religious law i.e. Shariah Law.

9. Some of the Muslim people are not participating in the conventional banks due to the non existence of Islamic Bank in India. Muslim people using banking services are acting against their will and religious instruction. Muslim people are not utilizing the money which they get as interest from banks. They share that portion of interest for the charity.
10. Mass illiteracy of target audience and conservative attitude of regulators delays the introduction of Interest free banking in India. Hence needs of the hour is to spread financial awareness, legislative support from regulators, research initiatives by various leading financial institutions, urge for in-depth study of this area by academicians, Setting up institutes for the training and development of skilled labour, recognition and affiliation with internationally acknowledged shariah law board, standardization of accounting norms and implementation of global benchmarks for a transparent system.

This study identified factors like prioritized option for financial need, structure of Islamic banking, awareness level about Shariah law, requirement of Islamic banking products strongly affect the perception of the potential consumers. Hence we can state that the H1: alternative hypothesis is accepted stating significant positive preference for Non interest banking products (Islamic banking) and null hypothesis, H0 is rejected.

The limitations of this study are as follows

- Respondents are not well aware about the technicality of such product/ services.
- The area was limited only to selected areas of Bihar, Punjab and Himachal-Pradesh. The result may have varied, if it was conducted somewhere else.
- The Sample size taken is only 200 due to time constraint (data collection was done in semester break); which may not result in very accurate results.
- Inability to respond to the questionnaire due to lack of time on respondent part.
- Some respondents are not comfortable in expressing their views due to fear that, by expressing their actual demographics they may deprive from benefits provided by government.
- Respondents were not ready for group photograph during course of discussion.

Conclusion

This study concluded that there is a great scope of shariah compliant financial

products in Indian scenario. On the basis of factor analysis, it was found that Shariah-Compliant Financial products/ services can better be offered in any of the following three form components; which consist of specific factors. The product offerings were similar to that of normal banking products; however the main difference was that the funds collected are not for accumulating/ paying interest or for investment in negative businesses that affects the morality of the society. This study shows that India has a significant scope for Non-interest banking in India. Non Muslim people are also interested in this kind of concept. The responses we got during our study are showing a positive sign for implementation of Interest free Banking products in India. Using SPSS Tool we got the KMO test value that is 0.874. This shows that the sample size is adequate. Here we can say that Islamic banking is interest free and collateral free banking so this may be helpful in financial inclusion also.

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Students Perception Towards Management Education An Empirical Study

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Abstract

The current trend in higher education is more towards management. And more number of students is aspiring for management education. As per the changes of time, the B-Schools imparting management education is expected to be student centric. How the students in the aforesaid institutions have to be treated is the focus of the study. In this context, four dimensions viz; students as customers, products, partners and stakeholders have been considered. Based on this, the student's preferences & perceptions have been studied. Firstly, the study reveals that there is a significant difference between the student's preferences and perceptions. Secondly, the students should be treated more as a product, followed by stakeholder, partner and customer.

1. Introduction

Management education in India has become more prominent in the present days. More number of graduates in commerce, engineering, social science, anthropology, psychology, science and the allied background are aspiring for such education. In various fields including medical science, different training programmes at different levels are imparted for effective functioning of organizations. In almost all the professions, management education is being encouraged for learning and acquiring managerial skills by regular/distance management programmes. Many B-Schools have emerged to provide management course to the aspirants (students).

About seventy per cent of the management schools in India need to be improved substantially to produce managers who can create valuable differences in organizations (Harikanth & Sai Sharan, 2010). The focus should be given on the present day requirement. The trends of management education evolution indicate that knowledge creation is important. This should usher in a variety of changes including close interaction

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among students, faculty and corporate (Bettis and Sullivan, 2003). It has been forecasted that management education will emerge as one of the key focal areas of higher learning. The service economy is taking precedence over other segments in different sectors (Harikanth, 2010) is one of the effecting factors.

II. Management Education in India

Management education in India has got a different direction after introduction of ranking system for business schools in 1988 (Harikanth et.al., 2010). Such schools have started changes in the course and also have taken some measures more on the development of the students as per the needs of the time. The trends of evolution of management education focus that knowledge creation has become more student based. It is the management education which will emerge as one of the key focus of higher learning. There are three roles which are getting specific differentiation in such education as knowledge creation, knowledge gathering and knowledge sharing. For effective education especially in the field of management, the focus should be given both on the content and also on the method of delivery of the content. Management is practice oriented domain. The top ranking B-Schools provide practical orientations with rigorous internship and specialized project assignments. Some institutions provide more teaching/lecture based management knowledge. It may be due to their infrastructural/financial constraints. However, in no way the inputs and the pattern of providing inputs should not be compromised in any angle. The management education should take measures for upgrading the quality of faculty and research. The corporate tie up with the institutions has to be more strengthened. The mechanism and the development programmes both for the faculty members and also for the students are having importance in the changing scenario of the socio-economic and cultural world. The materials delivered are given which are westernized and gives right tune for their culture. so, cases are to be developed which have more Indian applicability. A research culture has to be created which is inadequate in management institutions barring some top B-Schools. A particular accreditation programme is to be implemented. Learning real business issues are required which can hone the knowledge of the students. All these aspects are not sufficiently taken care by many B-Schools.

Deuchi and Korgen (2002) have viewed that the students of B-Schools as customers. Litten (1980) has viewed the students as products. In the study conducted by Bay and Daniel (2001) viewed the students as partners. Shahida et.al. in their study proposed to view the students of B-Schools as stakeholders and they have tested the students perceptions and preferences.

The preferences and perceptions of students in four perspectives have been discussed as follows.

As Customers: Students are the customers who pay the requisite fees. In designing, implementing and evaluating the course design and contents their satisfaction have to be considered. In other terms, their satisfaction is the priority of the B-School.

As Products: The students have to complete their course successfully. Their overall developments in managerial and professional competency are fine tuned.

As Partners: the students are encouraged to participate in the designing, grading and in implementing the course components. They should be treated equally as academic partners.

As Stakeholders: The students are stakeholders as their interest lies in their own improvement and development of B-School. In this perspective the questionnaire has been framed and administered to the B-School Students pursuing their post graduate management course.

III. Objectives

The following objectives are laid down in the light of broader purpose of the research.

1. To analyze the students preference on management education in four dimensions viz; Students as customer, Product, Partner, Stakeholder.
2. To analyze the students Perception on management education in four dimensions viz; Students as customer, Product, Partner, Stakeholder.

IV. Hypothesis

It is hypothesized that there is no significant mean difference between students' preference and students Perception towards management education in the four dimensions viz; Students as customer, Product, Partner, Stakeholder.

Or

$$\mu_1 (\text{Mean Value of Students' Preference}) = \mu_2 (\text{Mean Value of Students' Perception})$$

V. Research Methodology

The study is undertaken in one of the premier B-Schools in Hyderabad, and a 24 items likert scale(1-Strongly Disagree to 5-Strongly Agree) questionnaire was administered to 250 students pursuing post graduate management education. However, 213 students (respondents) have given their complete views based on which the entire study is conducted. The questionnaire was constructed on the basis of similar studies done previously (Shahaida, Rajashekar and Nargundkar 2009). Paired Samples T- Test, has been applied. to compares the means of two variables. It computes the difference between the two variables for each case, and tests to see if the average difference is

significantly different from zero. Cronbach's alpha is applied to measure the internal consistency, which is, how closely related a set of items are as a group. The hypothesis has been tested using Paired Samples T Test on the entire student's viewpoints of preference and students viewpoints of Perception variables. The study was conducted from June 2010 to January 2011.

VI. Results & Discussion

Table 1 : T-Test

	Mean	N	Std. Deviation
Preference of Students as customer	11.7042	213	1.94059
Preference of Students as Product	8.0751	213	1.46145
Preference of Students as Partner	11.6761	213	1.86407
Preference of Students as Stakeholder	15.1878	213	2.12852
Perception of Students as Customer	10.3146	213	2.42425
Perception of Students as Product	7.7371	213	1.64155
Perception of Students as Partner	10.8826	213	2.26964
Perception of Students as Stakeholder	14.6995	213	2.22843

The above table no 1 clearly represents the mean and the standard deviation of four different areas like customer, product, partner and stakeholder in terms of preference and the perception. This mean again indicates that the best view point in preference and the perception of students and the mean of Preference and the perception of Students as Stakeholder is higher than other three.

Table 2 : Paired Samples Correlations

		N	Correlation	Sig.
Pair 1	Preference of Students as customer & Perception of Students as Customer	213	.268	.000
Pair 2	Preference of Students as Product & Perception of Students as Product	213	.488	.000
Pair 3	Preference of Students as Partner & Perception of Students as Partner	213	.198	.004
Pair 4	Preference of Students as Stakeholder & Perception of Students as Stakeholder	213	.146	.033

Here the correlation between each of the pairs of variables is tabulated. Because this is a repeated measures analysis, the same people are measured twice. This research also indicates that the Correlations value (0.448) is significant and also indicates that the correlation between the pair is better than other three pairs.

Table : 3

	Paired Differences					t	df	Sig. (2-tailed)
	Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
				Lower	Upper			
Preference of Students as customer - Perception of Students as Customer	1.38967	2.66941	.18290	1.02913	1.75022	7.598	212	.000
Preference of Students as Product - Perception of Students as Product	.33803	1.57765	.10810	.12494	.55111	3.127	212	.002
Preference of Students as Partner - Perception of Students as Partner	.79343	2.63585	.18061	.43741	1.14944	4.393	212	.000
Preference of Students as Stakeholder - Perception of Students as Stakeholder	.48826	2.84772	.19512	.10363	.87289	2.502	212	.013

The paired t-test for four different pairs is applied to study the mean view point difference of students' preference and perception. It is quite evident from the table no. 3 that the paired t-test value (7.598) of Preference of Students as customer and Perception of Students as Customer is statistically significant with p-value of 0.000, which is less than the p-value of 0.05. The table also indicates a mean difference of 1.389. This indicates that there is a mean difference between the Preference of Students as customer and Perception of Students as Customer. In other words, there is a significant difference between students' preference and the perception view point.

All other three pairs like Preference of Students as Product and Perception of Students as Product, Preference of Students as Partner and Perception of Students as Partner, Preference of Students as Stakeholder and Perception of Students as Stakeholder

are having p-value of 0.002, 0.000, and 0.013 respectively and all the t-values 3.127, 4.393, 2.502 is statistically significant, because all the p-values are less than 0.05.

It is also found from the research that students prefer to be treated as product of the B-school with lowest mean of 8.0751 and it is also same in case of the perception where the mean value is 7.737 and with less mean difference of 0.338. which is again similar to one of the research studies (Shahaida, Rajashekar and Nargundkar, 2006) conducted at a b-school located in Pune, which revealed that students wants to be treated as partner. The study has done with a 5 point likert scale of 1=Strongly Disagree to 5= Strongly Agree.

Reliability Statistics

Cronbach's Alpha	No of Items
.756	24

Cronbach's Alpha test is applied in order to check the reliability of the questionnaire. It is a measure of internal consistency, that is, how closely related a set of items are as a group. A "high" value of alpha is often used (along with substantive arguments and possibly other statistical measures) as evidence that the items measure an underlying (or latent) construct. However, a high alpha does not imply that the measure is unidimensional. If, in addition to measuring internal consistency, you wish to provide evidence that the scale in question is unidimensional The result of this study indicates that the alpha coefficient for the 24 items is 0.756, suggesting that the items have relatively high internal consistency (reliability). (Note that a reliability coefficient of .70 or higher is considered "acceptable").

VII. Limitations

The study is conducted on the B-School students of one institute by administering the questionnaire having two components. The result is based on their response (213 respondents). More number of studies in the same area covering more respondents can provide better results overcoming biasness. However, attempts have been made to overcome their biasness and difficulties in posting the right response.

VIII. Conclusion

The respondents have viewed that the students are to be treated as customers in B-Schools. There is a significant difference in the mean values of student's preferences and perceptions in four dimensions viz; customers, products, partners and stakeholders. For the betterment of students as well as for the B-Schools, some measures have to be

taken to provide better facilities, benefits and mostly students in B-Schools have to be encouraged in course designing, implementing and evaluating the management programmes imparted to them. However, the major onus lies within the hands of the faculty members. Further studies can be conducted to explore new vistas in management education field.

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Consumer Preferences Regarding Selection of Dealer and Mode of Payment- A Consumer Behaviour Study Towards Four Wheelers in Himachal Pradesh

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Abstract

Consumer is the focus of all the marketing activities. Knowledge of his activities and behaviour is one of the most important aspects of the marketing. The consumers buy the goods to satisfy a number of needs and drives. Human wants are unlimited and varying time to time; from place to place and man to man. The study of consumer behaviour holds great interest for us as consumers, as students and scientists, and as marketers. Consumer Behaviour is a rapidly growing discipline of study. It includes the study of what they buy, why they buy it, how they buy it, when they buy it, where they buy it, and how often they buy it. The automobile industry today is the most lucrative industry. Due to the increase in disposable income in both rural and urban sector and easy finance being provided by all the financial institutes, the passenger car sales have been significantly increased. In this chapter an attempt has been made to Here we have made an attempt to know why consumers buy the durable products from a particular dealer and which type of dealers are preferred by the consumers. We have also made an attempt to know which method of payment is preferred by the consumers. Consumer can pay the price of durable products by cash or installment method.

Keywords : Consumer Behaviour, Authorised Dealer, Cash Method of Payment, Installment Method of Payment.

Introduction

Consumer is a king in the kingdom of market. To understand his behaviour is very necessary for the marketing man. Consumer is the focus of all the marketing activities. Knowledge of his activities and behaviour is one of the most important aspects

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of the marketing. The consumers buy the goods to satisfy a number of needs and drives. Human wants are unlimited and varying time to time; from place to place and man to man. The study of consumer behaviour holds great interest for us as consumers, as students and scientists, and as marketers.

Consumer Behaviour is a rapidly growing discipline of study. There are various reasons why the study of consumer behaviour developed as a separate marketing discipline are shorter product life cycles, increased interest in consumer protection, growth in marketing services, growth of international marketing, development of computer and information technology and increasing competition, etc. Consumer research process involves six major steps (1) defining research objectives (2) collecting and evaluating secondary data (3) primary research design (4) collecting primary data (5) analysing data and (6) report preparation.

Consumer behaviour doesn't remains the same or constant in every situation it changes time to time. There are various factors which affects consumer behaviour. As the change comes in these factors, consumer behaviour also changes. Following are the factors which affect consumer behaviour: (1) age (2) sex (3) marital status (4) income (5) family background (6) education (7) occupation (8) family size (9) geographic factors (10) psychological factors. In this grim battle for snatching maximum share of market, only those producers are destined to emerge victorious who will be able to read the pulse of the buyers. And this is here, where buyer behaviour has a very important role to play.

Review of Literature

Joseph D. Brown (1972), studied both the degree of loyalty and the factors appearing to affect it were studied in this project, which was based on interviews with 198 shoppers in the Muncie, Indiana, metropolitan area. Both methodology and procedures were well covered in the report. It was found that one-third of food shoppers were completely loyal to one store; 81 percent purchased at least one private brand; one-third of the shoppers were loyal purchasers of private levels; store loyalty appeared to be a minor factor in explaining loyalty to private brands; between the two most important loyalty factors-price and quality, price tended to be more important.

Agarwal, Manoj Kumar and Brian T. Ratchford(1980),this paper illustrates how the Rosen (1974) model of consumer choice can be used to estimate demand and supply functions for product characteristics; in this case, for six characteristics of automobiles. We also show how the demand functions for characteristics can be used to recover consumer preference functions.

Punj, Girish N. and Richard Staelin (1983), observed that information search is a critical component of the purchase decision process for most consumer durables. This study postulated a descriptive model of information search and tests the hypothesized relationships using survey data obtained from "probability sample of new automobile purchasers," the result supported the hypothesis that there were at least two unique components of prior knowledge: specific product knowledge and general product-class knowledge. The former caused less external search, the latter caused more external search, while external search was found to be positively related to cost saving satisfaction was favored to be related to cost saving, but not to external search.

Yadav, Manjit S. (1994), observed that bundling, the joint offering of two or more items, was a common selling strategy, yet little research had been conducted on buyers evaluation of bundle offers. The author developed and tested a model of bundle evaluation in which buyers anchored their evaluation on the item perceived as most important and then made adjustments on the basis of their evaluations of the remaining bundle items. The results of two computerized laboratory experiments suggested that people to examine bundle items in a decreasing order of perceived importance and make adjustments to form their overall evaluation of bundle.

Yeung, W. M. and Robert S. (2009), when consumers get verbal information about a products attributes, the influence of the affect they are experiencing on their product evaluations depends on their belief that the product should be judged on the basis of hedonic versus utilitarian criteria. When consumers see the product before they receive attributes information, however, the products appearance can stimulate them to form an affect-based initial impression that they later use as a basis for judgments independent of the criteria they would otherwise apply. Consequently, the mood that consumers happen to be in has different effects on their judgments than it would otherwise.

Objectives of the Study

The objectives of the present study are:

1. To know which type of dealers are preferred by the consumers of durable products like four wheelers.
2. To know which method of payment is preferred by the consumers of four wheelers.

Hypothesis

Null Hypothesis-H₀:All dealers are equally preferred by the consumers.

Alternative Hypothesis-H₁:All dealers are not equally preferred by the consumers.

Null Hypothesis-H₀:Every method of payment is equally preferred.

Alternative Hypothesis-H₁: Every method of payment is equally preferred.

Research Methodology

1. Methodology of Data Collecton

The present study has been conducted with the help of primary and secondary data to understand the consumer behaviour towards Four Wheeler.

Primary Data

The primary data for the study has been collected with the help of interviews, personal observation, pilot survey and questionnaire.

Secondary Data

The secondary data has been collected from the following sources:

1. Books and journals.
2. Research reports.
3. Dealers.
4. Magazines, articles from newspapers.
5. Websites.

2. Sample Size and Sample Design

The complete Himachal Pradesh acts as the universe and every consumer who has four wheeler of any company in the state under study is the population for the study. Keeping in view the time factors for the completion of the present study only a sample of 1000 consumers has been selected. The sample constitutes proportionately all major brands of four-wheeler sold by different companies in the state under study. Further, designing a sample, due care has been taken to cover all demographic variables like age, sex, income, education, background of consumers, etc. in order to make the sample more representative.

3. Sampling Method

Multiple-stage sampling has been used:

Stage One: At this stage, using cluster sampling, the whole area of Himachal Pradesh has been divided into four groups, taking three districts in each group.

Stage Two: At this stage, by using judgment-cum-convenience sampling each group has been divided into rural & urban area.

Stage Three: At this stage, by using quota sampling, a sample of 1,000 consumers has been taken proportionately from rural and urban population keeping in view the number of four wheeler sold in rural & urban areas.

Stage Four: At this stage, the ultimate sample was selected on the basis of convenient-cum-judgment sampling.

4. Methods of Data Analysing and Interpretation

1. Percentage Method
2. Chi-Square Method

Limitations of the Study

1. The study has been conducted with the help of primary data collected randomly. Therefore the results may be affected by the sampling error.
2. Incomplete and wrong information and poor responses to some questions could not be avoided. In certain cases, the respondents were found irrelevant, the assurance was given to maintain secrecy of data, yet the desired success could not be achieved.
3. Further, time and cost factor did not permit the researcher to cover all the aspects of consumer behaviour.
4. Because the area of four wheeler industry is so vast, so it was not possible to give consideration on all types of four wheelers available in the market.

DATA ANALYSIS AND INTERPRETATION

Table 1.1 : Age of Consumer and Selection of Dealer

Age	Selection of Dealer		Total
	Authorised Dealer	Any Other Dealer	
Below 30 Years	216 (84.7)	39 (15.3)	255 (100.0)
30-45 Years	433 (91.5)	40 (8.5)	473 (100.0)
Above 45 Years	262 (96.3)	10 (3.7)	272 (100.0)
Total	911 (91.1)	89 (8.9)	1000 (100.0)

$$\chi^2 = 22.127, P < 0.05$$

Note: Figures in parenthesis depicts the percentage

Source: Data collected through Questionnaire

The table 1.1 shows that consumers who falls below 30 years may purchase durable goods from any dealer whether he is authorized or not. On the other hand, consumers who falls within age group 30-45 years and above 45 years prefer to buy the durable goods from authorized dealer only. While χ^2 test is applied, its value (22.127) is found greater than table value. So null hypothesis is rejected and alternative hypothesis is accepted. Thus, it can be concluded there is significant relationship between age of consumer and selection of dealer.

Table 1.2 : Marital Status of Consumer and Selection of Dealer

Marital Status	Selection of Dealer		Total
	Authorised Dealer	Any Other Dealer	
Married	728 (92.5)	59 (7.5)	787 (100.0)
Unmarried	183 (85.9)	30 (14.1)	213 (100.0)
Total	911 (91.1)	89 (8.9)	1000 (100.0)

$$\chi^2 = 8.971, P < 0.05$$

Note: Figures in parenthesis depicts the percentage.

Source : Data collected through Questionnaire.

It can be observed from the table 1.2 that married consumers are much aware towards the selection of the dealer, whereas unmarried consumers are not too much aware towards the selection of the dealer. While χ^2 test, it is found that calculated value of χ^2 (5.478) is greater than table value at 5% level of significance. So null hypothesis is rejected and alternative hypothesis is accepted. Thus it is clear that there is significant relationship between marital status of consumer and selection of dealer.

Table 1.3 : Occupation of Consumer and Selection of Dealer

Age	Selection of Dealer		Total
	Authorised Dealer	Any Other Dealer	
Service	297 (83.7)	58 (16.3)	355 (100.0)
Business	378 (94.7)	21 (5.3)	399 (100.0)
Profession	127 (92.7)	10 (7.3)	137 (100.0)
Agriculturist	109 (100.0)	---	109 (100.0)

$$\chi^2 = 41.814, P < 0.01$$

Note: Figures in parenthesis depicts the percentage

Source: Data collected through questionnaire

It is noted from the table 1.3 that majority of consumer wants to purchase four wheeler from authorized dealer only. So company should appoint authorized dealer within consumers reach. While χ^2 test, is applied its value (41.814) is found greater than table value at 1% level of significance. Thus, it can be concluded that there is a significant relationship between two variables occupation of consumer and selection of dealer.

Table 1.4 : Education of Consumer and Selection of Dealer

Education	Selection of Dealer		Total
	Authorised Dealer	Any Other Dealer	
Below Middle	126 (100.0)	---	126 (100.0)
Middle to Plus two	285 (93.4)	20 (6.6)	305 (100.0)
Graduation & Love	500 (87.9)	69 (12.1)	569 (100.0)
Total	911 (91.1)	89 (8.9)	1000 (100.0)

$$\chi^2 = 21.680, P < 0.05$$

Note: Figures in parenthesis depicts the percentage

Source: Data collection through questionnaire

It is apparent from the table 1.4 that consumers whose education level is lower, they are higher in percentage who opined that they have purchased four wheeler from authorized dealer. And consumers whose education level is higher, they are less in percentage who opined that they have purchased four wheeler from authorized dealer. But majority of consumers irrespective of their educational background have responded that they have purchased four wheeler from authorized dealer only. While χ^2 test is applied its value (21.680) is found greater than table value at 5% level of significance. Which further leads to concluded that there is significant relationship between two variables.

Table 1.5 : Background of Consumer and Selection of Dealer

Background	Selection of Dealer		Total
	Authorised Dealer	Any Other Dealer	
Rural	593 (93.8)	39 (6.2)	632 (100.0)
Urban	318 (86.4)	50 (13.6)	368 (100.0)
Total	911 (91.1)	89 (8.9)	1000 (100.0)

$$\chi^2 = 15.776, P < 0.05$$

Note: Figures in parenthesis depicts the percentage

Source: Data collected through questionnaire

It is obvious from table 1.5 that rural consumers are more in percentage who have replied that they would like to purchase four wheeler from authorized dealer only. While apply χ^2 test, it is found that the calculated value of χ^2 (15.776) is greater than table value at 5% level of significance. So null hypothesis is rejected and alternative hypothesis is accepted. Thus it is clear that there is significant relationship between background of consumer and selection of dealer.

Table-1.6 : Age of Consumer and Selection of Mode of Payment

Age	Selection of Dealer		Total
	Cash Payment	Installment payment	
Below 30 Years	71 (27.8)	184 (72.2)	255 (100.0)
30-45 Years	97 (20.5)	376 (79.5)	473 (100.0)
Above 45 Years	62 (22.8)	210 (77.2)	272 (100.0)
Total	230 (23.0)	770 (77.0)	1000 (100.0)

$$\chi^2 = 5.043, P > 0.01$$

Note: Figures in parenthesis depicts the percentage

Source: Data collected through questionnaire

It is clear from the table 1.6 there is no significant relationship between age of consumer and mode of payment. Majority of consumers like installment of payment. While applying χ^2 test, it is found that the calculated value of χ^2 (5.043) is less than the table value of 10% level of significance. Therefore, it can be said that there is not significant relationship between age of consumer and mode of payment.

Table 1.7 : Marital Status of Consumer and Selection of Mode of Payment

Marital Status	Selection of Dealer		Total
	Cash Payment	Installment Payment	
Married	170 (21.6)	617 (78.4)	787 (100.0)
Unmarried	60 (28.2)	153 (71.8)	213 (100.0)
Total	230 (23.0)	770 (77.0)	1000 (100.0)

$$\chi^2 = 4.083, P > 0.01$$

Note: Figures in parenthesis depicts the percentage

Source: Data collected through questionnaire

The study of Table 1.7 reveals that whether the consumers are married or unmarried it does not affect the selection of mode of payment. All consumers irrespective of their marital status like installment method of payment. After applying χ^2 test, it is found that the calculated value of χ^2 (4.083) is less than table value at 1% level of significance. Therefore, it can be said that there is hardly any significant relationship between two variables namely marital status of consumer and selection of mode of payment.

Table 1.8 : Occupation of Consumer and Selection of Mode of Payment

Occupation	Selection of Dealer		Total
	Cash Payment	Installment Payment	
Service	71 (20.0)	284 (80.0)	355 (100.0)
Business	111 (27.8)	288 (72.2)	399 (100.0)
Profession	9 (6.6)	128 (93.4)	137 (100.0)
Agriculturist	39 (35.8)	70 (64.2)	109 (100.0)
Total	230 (23.0)	770 (77.0)	1000 (100.0)

$$\chi^2 = 37.973, P < 0.05$$

Note: Figures in parenthesis depicts the percentage

Source: Data collected through questionnaire

The table 1.8 depicts that majority of consumers prefer installment method of payment. But service holders and professional are large in percentage who strongly opined that they like installment method of payment, whereas, businessmen and agriculturists are higher in percentage who expressed that they like cash Method of payment for durable goods. While χ^2 test is applied, it is found that calculated value (37.973) is higher than table value that there is significant relationship between occupation of consumer and Selection of Mode of payment.

Table-1.9 :background of consumer and selection of mode of payment

Background	Selection of Dealer		Total
	Cash Payment	Installment Payment	
Rural	161 (25.5)	471 (74.5)	632 (100.0)
Urban	69 (18.8)	299 (81.3)	368 (100.0)
Total	230 (23.0)	770 (77.0)	1000 (100.0)

$$\chi^2 = 5.939, P > 0.01$$

Note: Figures in parenthesis depicts the percentage

Source: Data collected through questionnaire

It has been observed from table 1.9 that irrespective of their background majority of consumers have opined that they like installment method of payment for durable goods. After applying χ^2 test, it is found that the calculated value of χ^2 (5.939) is less than the table value at 1% level of significance. Therefore, it can be concluded that there is significant relationship between background of consumer and selection of mode of payment.

Table 1.10 : Income of Consumer and Selection of Mode of Payment

Marital Status	Selection of Dealer		Total
	Cash Payment	Installment Payment	
Low Income	20 (34.5)	38 (65.5)	58 (100.0)
Middle Income	110 (27.1)	296 (72.9)	406 (100.0)
High Income	79 (20.3)	310 (79.7)	389 (100.0)
Superhigh Income	21 (14.3)	126 (85.7)	147 (100.0)
Total	230 (23.0)	770 (77.0)	1000 (100.0)

$$\chi^2 = 16.054, P < 0.05$$

Note: Figures in parenthesis depicts the percentage

Source: Data collected through questionnaire

It is depicted from the table 1.10 that majority of consumers whether they belong to lower income group or higher income group like installment method of payment. The consumers whose income level is low are less in percentage who have opined that they prefer installment method, whereas the consumers whose income level is higher they are higher in percentage who have opined that they prefer installment method of payment. While χ^2 test is applied, its value (16.054) is found greater than table value of 5% level of significance which further supports the above analysis.

Conclusion

The research paper has been divided into two parts on the basis of its objectives. The first objective of the study is to know which types of dealers are preferred by the consumers of durable products like four wheelers. And it is observed from the study that 91.1% consumers have opined that they would purchase durables products like four wheelers only from authorized dealer. Only 8.9% consumers have opined that they can purchase durables product from unauthorized dealer. Consumers who falls below 30 years have opined that may purchase durable goods from any dealer whether he is authorized or not. On the other hand, consumers who falls within age group 30-45 years and above 45 years prefer to buy the durable goods from authorized dealer only. Married consumers are much aware towards selection of the dealer. They like authorized

dealer only, whereas unmarried consumers are not too much aware towards the selection of the dealer. The research depicts that majority of consumer wants to purchase four wheeler from authorized dealer only. So company should appoint more authorized dealer within consumers reach. Majority of consumers irrespective of their educational background have responded that they have purchased four wheeler from authorized dealer only. Rural consumers are more in percentage who have replied that they would like to purchase four wheeler from authorized dealer only.

The second objective of the study was to know which method of payment is preferred by the consumers of four wheelers. And the research depicts that 77% consumers like installment method of payment and only 23% consumers like cash method of payment. The study reveals that whether the consumers are married or unmarried it does not affect the selection of mode of payment. All consumers irrespective of their marital status like installment method of payment. It is depicted from the research paper that majority of consumers whether they belong to lower income group or higher income group like installment method of payment.

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A Comparative Study of MGNREGS Across 5 Select Populous States in India

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1. Introduction

India has great relation with rural community. More than 70 percent of India's population still lives in rural areas. And three-fourths of the Indian poor live in villages. Among the poor people in rural places, majority of them work in non-agricultural and available daily works. The weaker and the poorer sections of the rural society are confronted with caste and class divides and male-female disparities, in many aspects of employment and work environment, especially in job changes from less productive agricultural to more productive non-agricultural activities, almost on a day-to-day basis. The problem of rural poverty poses a serious challenge for the nation and policy makers.

Having been second most populous country in the world with over 1.18 billion people, India is still lacking the development in many areas. Majority of the rural population are unskilled labour, depending heavily on labour work. Due to the urbanization, the conventional employment in agriculture started to decrease, as a result, the rural people started to face the problems of unemployment. The government of India realizing the need for ensured employment started one of the beneficial programmes to the rural Indians with the introduction of Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS).

Conceptual Over View of the Scheme

The government's initiative on rural poor has resulted in the launching of flagship National Rural Employment Guarantee Scheme (NREGS) is to be interpreted as an attempt to help the rural poor at the level at which the poverty is most virulent. The NREGS began to focus, consciously, on districts within a state rather than the state as a whole. Non farm employment like implementation of NREGA is an important tool in handling rural poverty. The developmental and welfare initiatives undertaken by the Government of India benefited the rural areas, especially the last five years progress in the rural India showed significant changes in the economic growth in the rural areas.

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MGNREGA is a flagship rural employment generation and livelihood program of the UPA government in India. This social welfare programme guarantees one hundred days of employment per year at the prevailing minimum wage rate for unskilled labour.

- It guarantees employment within 15 days if a qualified person applies for employment application at a local administrative authority. The person should be willing to work on a piece-rate basis, which is fixed so that an average person working diligently for seven hours a day would earn an amount equal to the minimum wage.
- Adult members of a rural household willing to do unskilled manual work should have to apply for registration to the local Gram Panchayat, which, after verification, will issue a Job Card to the household. The Job Card has photographs of all adult members of the household who are willing to work under the Act.
- The Job Card holding household has to submit a written application for employment to the Gram Panchayat, which then provides employment for up to at least 15 days.
- Work has to be provided within 5 km radius of the village or else extra wages of 10 percent have to be paid to workers. Moreover working and living facilities have to be provided.
- One -third of the work is reserved for women.
- Works should be specifically geared toward rural development: water conservation and harvesting, forestation, rural connectivity, flood control and protection, repair of embankments, construction of drinking water facilities like digging new ponds/tanks and building dams, and micro-irrigation facilities, among others.
- Wages have to be consistent with the Minimum Wages Act 1948 for agricultural labours in the State, unless the federal government notifies a wage rate, which should not be less than Rs.60 per day. The average daily wage of agricultural labors under NREGA has risen from Rs.65 in 2006 to Rs. 83 in 2008 and now it has increased to Rs.120.
- Wages are paid on a weekly basis and should not exceed a fortnight in case of delay I
- Each district is allowed to prepare a shelf of projects. At least 50 percent of works have to be allotted to Gram Panchayats for execution and a 60:40 wages to material ratio has to be maintained.
- The use of contractors and labor displacing machinery are prohibited. The Gram Sabha is responsible for social audit.

Need and Importance of the Study

In India, the rural population is higher than the urban population. Majority of the rural population depends on conventional employment opportunities. The rural development plays a crucial role in the overall development strategy of the country. To achieve the development, the employment in rural India is a crucial thing to be achieved. To bring sustainable and holistic development through a multi-pronged strategy, aiming in the process, to reach out to most disadvantaged sections of the society, the Government of India formulated an act called "National Rural Employment Guarantee Act,2005(NREGA)". Later NREGA has been rechristened as the "Mahatma Gandhi national Rural employment Guarantee Act (MGNREGA)". This act mainly focused on ensuring a minimum level of livelihood security in the rural areas. This act was the first ever law internationally, that guarantees wage employment on an unprecedented scale, MGNREGA aims at enhancing livelihood security of households in rural areas of the country by providing at least one hundred days of guaranteed wage employment in a financial year to every household whose adult members volunteer to do unskilled manual work. The present study "A comparative study of MGNREGS across five select populous states of India" is a very important study focuses on the progress of MGNREG Scheme since its inception. This study brings the implementation of the scheme and as well as the performance achieved after implementation in India. This study also focuses on its reachability to the target people and tries to find out the pitfalls in implementation.

Review of Literature

An article on NREGA, "What was government doing for the last 60 years?, Aruna Roya pointed out the slow growth in rural areas and the role of government in enhancing the opportunities to the rural people. This article also pointed out the lack of employment and out come of Naxalism on the development of rural villages.

Jean Dreze, in his article titled "NREGA - Employment guarantee: beyond propaganda", clearly specified about the extension of the NREGA to the whole country is an unprecedented opportunity to build the foundations of a social security system in rural India.

Mihir Shah & Pramathesh Ambasta , in their research article titled " NREGA: Andhra Pradesh shows the way", specified on the implementation of NREGA scheme various states of India. They pointed out that NREGA Programmes in Andhra Pradesh State are achieving great recognition due to the political support and the use of IT in implementation of NREGA activities. The research article also highlighted that the

information about the functioning and responsibilities of schemes are clearly informed to each village level and proper functioning at various levels are the success factors in the Andhra Pradesh State.

Siddhartha and Vanaik, Anish in their research article titled 'CAG Report on NREGA: Fact and Fiction', highlighted the various facts after introduction of NREGA programme in the India. The various limitations, hurdles of the programme are also highlighted in the article.

Centre for Science and Environment (CSE) in its report on valid implementation and performance of NREGA. The study found that most of NREGA money has gone to road construction projects, instead of works related to water conservation and harvesting. The study found that of the 27 states where the NREGA was implemented, only five have made substantial allocation to water conservation. The study concluded that the bad planning for water conservation structures is putting a large number of the assets created into disuse.

Amir Ullah Khan & MR Saluja in their study on the "Impact of NREGP on Rural Livelihoods" made a thorough analysis on the performance of NREGP in the development of rural livelihoods. The study found that the works under NREGA be expanded or better still completely decentralized so that the Panchayats are free to decide on local priorities. The delays in wage payments go against the act but there is evidence of such delay already and needs to be done away with. The study further revealed that the implementation of the act has now thrown up issues of leakage and corruption and this needs to be plugged by making the implementation truly decentralized and based on self selection by wage earners.

Objectives of the Study

The research study titled "A Comparative Study of MGNREGS across five populous States in India" is aimed to achieve the following objective.

1. To assess the demographic background of rural community in the State of Andhra Pradesh in comparison with select States.
2. To examine the performance of the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) in top five populous states of India with special reference to the State of Andhra Pradesh.

Research Methodology

The required data for the study have been collected from the secondary source which includes Annual Reports of the MIS, NREGA, State level reports and District level reports, articles, journals, magazines, news papers and internet sources. Mean and Percentages are used for analysis. The data used in the study is mainly obtained from the MGNREGS website and represents up to March 2012.

Analysis and Findings

The top five States in terms of population are listed as Uttar Pradesh, Maharashtra, Bihar, West Bengal and Andhra Pradesh. Performance of the MGNREGS is analysed across these States.

a) Rural-urban population distribution in India

Census data shows that between 2001 and 2011 India's rural population decreased from 72 percent of the total to 69. Given that rural areas have a higher fertility rate than urban areas, 3.2 and 2.2 children per women, respectively, the decrease in the rural population is likely due to rural-urban migration.

Table 1 : Rural Urban Population in India

Distribution	2001 census	2011 census
Rural	72	69
Urban	28	31

Source: Ministry of Home Affairs, Government of India. 2001 and 2011 Census data retrieved from www.censusindia.gov.in

MGNREGA is expected to have a large effect on migration, as rural workers have a guarantee of 100 days of employment close to home and therefore have less of an incentive to move to the cities.

b) Demographic background of the Andhra Pradesh State

Andhra Pradesh State is one among the 28 populous states of the country. It is India's fourth largest state by area and fifth largest by population. From the recent concluded 2011 census, it reported the growth of 11.8% in terms of population.

Table 2: Distribution of population in top five States

Rank	State	Rural	Urban	Population	% of in all India
1	Uttar Pradesh	155111022(78%)	44470455 (22%)	199,581,520	16.49%
2	Maharashtra	61545441(55%)	50827531 (45%)	112,372,972	9.29%
3	Bihar	92075028(89%)	11729609 (11%)	103,804,637	8.58%
4	West Bengal	62213676 (68%)	29134060 (32%)	91,347,736	7.55%
5	Andhra Pradesh	56311788 (67%)	28353745 (33%)	84,665,533	7.00%

Source: Census report, 2011

It is observed from the Table that Uttar Pradesh accounts for 16.49% of total population in India followed by Maharashtra, Bihar, West Bengal and Andhra Pradesh. Bihar stands first with 89% of rural population followed by UP, West Bengal, Andhra Pradesh and Maharashtra. MGNREGS is more useful in case of those States which have more rural population.

c) Number of registered households

Table 3: Popularity of MGNREGS

States	No. of Applicants	No. of Registered House Holds
Uttar Pradesh	2522410 (22.48%)	14514984 (25.24%)
Maharashtra	770629 (06.87%)	7012076 (12.19%)
Bihar	1019229 (09.08%)	12481186 (21.71%)
West Bengal	1397735 (12.46%)	11369740 (19.77%)
Andhra Pradesh	5506369 (49.09%)	12108229 (21.06%)
Total	1121637 (100%)	57486215 (100%)

Source: MGNREGS, Government of India

Table 3 indicates the total number of applicants and registered households in the five States. Andhra Pradesh shows excellent performance with 49% applying for the Scheme followed by UP, West Bengal, Bihar and Maharashtra. In case of registered households, UP stands first with 25% followed by AP, Bihar, West Bengal and Maharashtra. States of AP and UP have become successful in creating popularity for MGNREGS.

d) Issue of Job Cards

The following table shows that the no. of job Cards issued across five populous states and also shows that the implementation of the MGNREG Scheme in India among different categories in the society.

Table 4: Issue of Job Cards

State	SCs (%)	STs (%)	Others (%)	Total (%)
	a	b	c	d
Uttar Pradesh	4584367 (31.58%)	156025 (01.07%)	9774592 (67.34%)	14514984(25.19%)
Maharashtra	604569 (08.62%)	906411 (12.92%)	5501096 (78.45%)	7012076 (12.17%)
Bihar	2973080 (23.82%)	195210 (01.56%)	9312896 (74.61%)	12481186 (21.66%)
West Bengal	3207047 (31.58%)	882862 (01.07%)	7279831 (67.34%)	11369740 (19.73%)
Andhra Pradesh	2959569 (24.19%)	1405948 (11.49%)	7868591 (64.31%)	12234108 (21.23%)

Source: MGNREGS, Government of India.

From the above table, it can be observed that on an average 70% of people who benefited from the scheme belong to other categories i.e., other than SC and ST. Further it is observed that ST category did not benefit much from the scheme. The scheme really became helpful for ST population in case of Bihar and AP. West Bengal, UP followed by AP and Bihar could make the scheme provide livelihood for around 32% to 24% SC population. The State of Uttar Pradesh is on top in terms of number of job cards issue with 14514984 i.e., SCs 31.58%, STs 01.07% and others 67.34%. Bihar State stands second in terms of number of job cards with 12481186 i.e., about SCs 23.82%, STs 01.56% and others 74.61%. The number of job cards issued in the State of Andhra Pradesh is 12234108 i.e., 24.19% for SCs, 11.49% for STs, and more than half of the job cards are issued (64.31%) to other categories like BCs and OCs.

e) Job Cards Not in Use

Progress of any scheme is estimated with how the scheme is put to use in reality. Number of job cards issued indicates the willingness of the people to participate in the scheme whereas the job cards not in use indicates the disinterest of people in actual participation in the scheme. This parameter also indicates that the unused cardholders might have considered some other opportunity more beneficial rather than working at MGNREGS.

Table 5: Job Cards not in use

State	Job Cards not in use	%
Uttar Pradesh	184050	6.6
Maharashtra	2473652	88.6
Bihar	68552	2.5
West Bengal	0	0
Andhra Pradesh	64841	2.3
Total	2791095	100

Source: MGNREGS, Government of India

Maharashtra is on top in terms of number of job cards not in use followed by the State Uttar Pradesh. Over all statistics suggest that utilization of job cards in the state of Andhra Pradesh is higher than the other 4 populous states of India. The job cards not in use generally specify that the objective of the MGNREG scheme is not reached completely. State of Maharashtra has higher urban population and also stands at lower position in the issue of job cards. Around 35% of the job cards issued have not been put to effective use under the scheme. State of West Bengal could utilize 100% of the job cards issued whereas Bihar, AP and UP have recorded the unutilisation in a very negligible percentages i.e., 1.2% to 0.5%.

f) Person Days

Person days indicate the number of days of employment provided under the scheme. The success rate of the scheme can be authenticated with the help of the person days that each State could provide under the scheme.

Table 6: Person Days

State	No. of Person Days	%
Uttar Pradesh	121308142	37.28
Maharashtra	17282189	5.31
Bihar	12239089	3.76
West Bengal	24919897	7.66
Andhra Pradesh	149610492	45.98
Total	325359809	100

Source: MGNREGS, Government of India

Table 6 shows that Andhra Pradesh is on the top in terms of number of person days (46%) in the year followed by Uttar Pradesh i.e., about 37%. Person days provided is quite low in West Bengal (7.7%), Maharashtra (5.31%), and Bihar (03.76%).

g) Employment generation

The following table gives a detailed statistics on the employment generated for top five populous states of India including the state of Andhra Pradesh.

Table 7: Employment Generation in person days

States	Employment Generated (In Person Days)					
	SC 1	ST 2	Others 3	Total (1+2+3)	IAY Beneficiary	Women
Uttar Pradesh	6278851 (08.03%)	148284 (00.33%)	12481907 (06.36%)	18909042 (05.92%)	9941 (00.60%)	4337191 (02.51%)
Maharashtra	489015 (00.62%)	1361205 (03.04%)	5803656 (02.95%)	7653876 (02.39%)	4061 (00.25%)	3485513 (02.01%)
Bihar	2407317 (03.07%)	238708 (00.53%)	6882474 (03.50%)	9528499 (02.98%)	2070 (00.12%)	3223142 (01.86%)
West Bengal	3526126 (04.50%)	872963 (01.95%)	5359740 (02.73%)	9758829 (03.06%)	56347 (03.40%)	3441669 (01.98%)
Andhra Pradesh	65485041 (83.75%)	42015308 (94.12)	16569792 9 (84.44)	273198278 (85.62%)	1584702 (95.62%)	158649105 (91.63%)
Total	78186350 (100%)	4463646 8(100%)	19622570 6 (100%)	319048524 (100%)	1657121 (100%)	173136620 (100%)

Source: MGNREGS, Government of India

An analysis of employment generation in terms of person days indicates that Andhra Pradesh stands at top with 85.6% followed by UP, West Bengal, Bihar and Maharashtra. All most in all the categories of population similar trends are exhibited and other States could not match in performance with that of AP. Overall performance of the scheme is seen with the help of various parameters such as job cards issue, unutilisation, person days and employment generation. AP stands well in its position as far as implementation is concerned.

h) Average wages

Under this scheme it is observed that disparities exist among the States in case of wages paid too. The main objective of the scheme is to provide employment to rural people so that they do not struggle for minimum livelihood. The maximum wage paid is Rs 130 and the minimum is Ra 120.

Table 8 : Average Wage Paid

S. No	State	Wage Rate (In Rs.)	Total Amount Paid as Wages	Average Wage Rate
1	Uttar Pradesh	120	14537065629.46	119.836
2	Maharashtra	127	2754259125.516	159.37
3	Bihar	120	1467990073.1	119.943
4	West Bengal	130	3296404072.51	132.28
5	Andhra Pradesh	121	14669441210	98.051

Source: MGNREGS, Government of India

The average wage rate in Andhra Pradesh is Rs98 which is too low when compared to other States. The State should take care to pay the wages on par with other States. Maharashtra and West Bengal are the two States where the average wage rate stands high. The difference between the wage rate and the average wage paid remains too high in case of AP.

i) Grievance mechanism

The following table gives the clear picture about the performance of case disposals of various cases regarding the problems faced by the beneficiaries of MGNREGS.

Table 9 : Case Disposals as on 31-3-2011

State	Received	Disposed	Percentage of success
Uttar Pradesh	565	349	61.79
Maharashtra	15	4	26.66
Bihar	133	28	21.05
West Bengal	28	17	60.71
Andhra Pradesh	18	11	61.11
All India	1553	798	51.38

Source: MGNREGs, Government of India

The above table clearly specifies the number of case disposals regarding the various problems and percentage of success of the scheme with reference to the case disposals.

Andhra Pradesh has achieved 61% of the success in terms of case disposals. The percentage of success in the state of AP is higher than the overall aggregate percentage of India. The Uttar Pradesh State is higher than the remaining 4 populous states of India. Both the states Uttar Pradesh and Andhra Pradesh have achieved equal percentage of success (i.e., 61.71% & 61.79%) followed by West Bengal (60.71%), Maharashtra (26.66%) and Bihar (21.05%) in terms of case disposals. Number of cases received also is too low in case of AP.

Conclusion

The rural community in India is majorly suffering with unemployment. The MGNREGs provided great contribution in the form of guaranteed employment to the rural people. The demographic profile of Andhra Pradesh state clearly suggested that the share of rural population is very high with 72.69%. Hence, there is a need for strong execution of MGNREG scheme. There is a huge opportunity for the rural workers to get employment through MGNREGs as there are still 12, 8662.09 lakh rupees worth work completed and still 8 times worth is yet to be completed in the State. The MGNREGS is expected to have an effect on migration, as rural workers have a guarantee of 100 days of employment close to home and therefore have less of an incentive to move to the cities. The job cards not in use for the Andhra Pradesh state are 64841 and still there is a plenty of opportunities for work for the rural people of the state. . The Andhra Pradesh state has achieved 61% of the success in terms of case disposals. The percentage of success in the state of AP is higher than the overall aggregate percentage of India. The average wage rate in Andhra Pradesh is quite low compared to other populous Uttar Pradesh is on top in India in terms of registered households for the MGNREG scheme. Apart from Uttar Pradesh, the other populous states which are comparatively showing the high performances are Bihar, Andhra Pradesh, West Bengal and Maharashtra. From the survey, it is to be concluded that the Government is executing the scheme with a broad objective of providing the rural employment for all the rural areas in India. But, the performances of all states must be on par as the study finds a huge gap among the performances of the states. The impact of the scheme is very high in certain States and low in other States. The Government, beneficiaries and voluntary organizations should take more interest in the scheme. Such involvement can lead the scheme to achieve its ultimate goal.

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