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Chief Editor's Voice

WEALTH CREATION DURING THE PANDEMIC PERIOD

World survives on three Ws: Wisdom, Wealth and Wellness. Wisdom ie, the vidyadhanam, is considered as the supreme wealth. Health is also a wealth. But wealth per se in monetary terms is worth for best living of a human being. Wealth is always considered as an abundance of valuable possessions, money or resources. Wealth creation is essential both in the period of prosperity as well as during the crisis; say the COVID 19 pandemic.

Kautilya says that activity is the root of wealth. A lazy organization will plunge into distress. Wealth creation is impossible without an active policy. Even individuals who are lazy will not be able to create wealth. The qualities of a person, character and knowledge are requisite for wealth creation. Material belongings do not constitute the real wealth. They are by-products of your inner wealth. An Enquiry in to the Nature and Cause of the Wealth of Nations (1776) is the magnum opus of the Scottish Economist and moral philosopher Adam Smith. The book offers one of the world's first collected description of what builds nation's wealth, and is considered today as a fundamental work in classical economics.

Our ancient literature is abundant with narratives on wealth and wealth creation. Plutus in Greek religion is the God of abundance or wealth. Kubera is the Lord of wealth and the god king of the semi divine yakshas in Hindu culture. This rich king built the golden city of Lanka in the middle of the south sea. He used to travel in his Pushpaka Vimana, a palatial flying vehicle. Deceived by his step brother, Ravana, he left Lanka and settled in Alakapuri as an abode

of affluence. Devdutt Pattanaik says wisdom lies in appreciating wealth and not negating it. Lakshmi is the goddess of wealth. She is seen as seated on a lotus holding lotus flowers and a pot of grain, with gold coin emerging from her palm. A study of this goddess enables us to understand how ancient Indians thought about wealth and economics.

This ancient wisdom will help us to go for a better way of planning our investment. In the period of pandemic the mutual funds are steadily making an entry in to the household savings with an increased awareness about financial planning and higher efforts towards promoting mutual funds as an instrument of investment. Lakshmi (wealth) is the product of Saraswati (wisdom). Knowledge brings wealth. With the grace of God, in this period of pandemic we need to be more proactive and productive in creating wealth. We worship God of wisdom and wealth

The pandemic has changed the income and investment landscape dramatically over the past one year of corona period. We need to apply this wisdom in our investment plans. We should become smart in investment options. Systematic Investment Plan is a basket of stocks that helps the small investors to tide over the market fluctuations thereby bringing the much needed discipline to investment while reducing the overall cost of purchase through rupee cost average.

Today we have wealth but deprived of true wisdom. We need to bring both wisdom and wealth back. Swami Ranganathananda says pure

science is Saraswati and applied science is Lakshmi. Knowledge applied to agriculture and industry improves the wealth of a nation. We should be wise in controlling our expenditure and concentrate more on savings. The lockdown months have proven that people should prioritize their 'needs' over 'wants'. The pandemic has made people to realize their true expenses to have a comfortable life.

Investing in mutual funds is a good option which is gaining popularity in India. Investors have to choose among the top mutual fund companies in India. There are forty four mutual fund companies called Asset Management companies in India. Investors can approach the AMCs directly; go to their website or to the office of the AMC to invest. Nationalized banks NBFCs are also offering facilities to the investors. As mutual fund companies are regulated and supervised by regulatory agencies such as the Securities and Exchange Board of India (SEBI) and the Association of Mutual Funds in India (AMFI), no fund house can abscond with investors' money. ... In short, a mutual fund company is as safe as a bank.

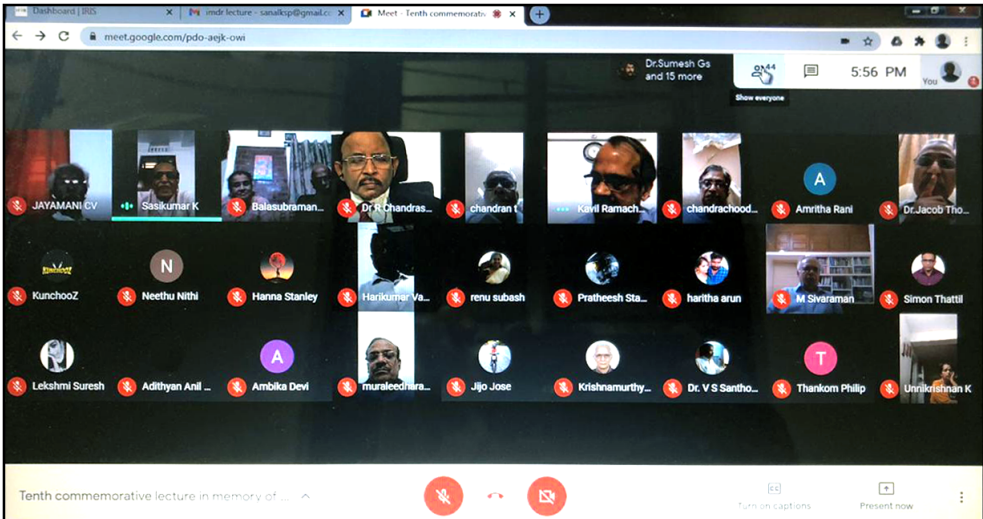
Traditionally, Indians have chosen investments that guarantee the safety of capital invested and offer fixed returns. This is a significant reason behind fixed deposits (FD) and recurring deposits (RD) garnering the confidence of the Indian investors. Furthermore, FDs and RDs can be done at banks and post offices, which are seen as the safest places where one can invest. Mutual funds did not garner the same kind of trust as many fund companies are not known to the investors. Mutual funds are not perceived to be as safe an investment option as bank deposits. The purpose of investing in mutual funds is to earn higher returns than what traditional investment options offer. These returns are the

result of more extensive market exposure and professional management of the funds. All this is available at a nominal initial capital via the Systematic Investment Plan (SIP) route.

Mutual funds are also more tax-efficient than traditional investments. Short-term as well as long-term gains from mutual funds are taxed in a way that it doesn't eat into the returns. These funds make much sense as long-term investments because the longer we stay invested, the more profits we earn. This is because of the power of compounding where our returns, in turn, make returns. Over long periods, mutual funds have given superior returns that have beaten traditional investments and also been higher than the prevailing rate of inflation. The risk that comes with mutual fund investments can be managed by diversifying our investments.

When we take the total national level transactions in mutual funds several states maintain a low profile. At the same time some of the states like Maharashtra keep a high percentage as high as 44 per cent. If you consider the percentage of mutual funds as a percentage of bank deposits, again these states are showing a low key. Even when we maintain high literacy rate and educational status we remain poor in maintaining high financial literacy. People must be encouraged to use the d-mat account and mutual fund portfolios in a big way even in this COVID 19 pandemic period. Smart investment practice provides a platform to discuss on the safe method on the path to financial freedom. We have to go a long way in achieving a better position with regard to smart investments. COVID 19 provides both challenges and opportunities with regard to consumption demands and investment opportunities.

Tenth Dr. C.N. Purushothaman Nair Commemorative Lecture Reminisce



At a time when the pandemic COVID 19 has driven our lives & livelihood topsy-turvy, we perforce have to meet and interact in a virtual congregation online as an alternative to confabulating in person. The Tenth Dr. C.N.Purushothaman Nair Commemorative Lecture was thus held online on 5th November 2020 as webinar through Google Meet.

A decade has gone by since the sad demise of our beloved Professor C.N. Purushothaman Nair. Much as everyone of us who have had the fortune of knowing Dr CNP Nair do recall our interaction with him quite vividly, yet it is on the day of his death anniversary that we come together as a group to remember the departed soul to pay our respect and reverence as also to reminisce about the good old days we shared with him. During the previous programmes several eminent scholars, close associates and colleagues participated in the functions organized by the IMDR to commemorate Dr. C.N.P.Nair. They include among others Dr. Rajasekharan Pillai, former UGC Chairman; Dr. T.P. Srinivasan, former Ambassador, Dr. G.Gopakumar, former Vice Chancellor, Central University of Kerala; Dr. G.C. Gopala Pillai, Former CMD, KINFRA; Dr. M. Ayyappan, former CMD, HLL; Prof. Richard Hey, former Member of Parliament; Dr. N. Ravindranath, former Pro Vice Chancellor, Mahatma

Gandhi University, Dr. T. Ashokan, former Pro vice Chancellor, Kannur University, Smt. Sudharmini, IAAS, C&AG, Kerala, Dr. P. Ajayakumar, Pro Vice Chancellor, University of Kerala, Dr. Harindranathan Nair, Pankaja Kasthuri; Shri K.S. Sabarinath, MLA, Dr.M.R. Thampan, former Director Kerala Language Institute; Dr. Umman V Umman former Chairman, Biodiversity Board. All these eminent persons have had a close association with Dr. C.N.P Nair.

This time around IMDR is fortunate enough to get one of the dearest disciples of Dr. C.N.P.Nair. Professor Kavil Ramachandran, Indian School of Business, Hyderabad. The function was inaugurated by Professor Kavil Ramachandran and delivered the key note address. Dr Gabriel Simon Thattil felicitated the function which was chaired by Dr. K. Sasikumar, the Chairman IMDR. Dr.C.V.Jayamani, Vice Chairman IMDR, welcomed the audience and Dr. V.Harikumar Secretary proposed the vote of thanks. The function was well attended by the students, family members, former colleagues, close associates, well wishers and friends of Dr. C.N.P.Nair.

In his welcome speech Dr. C.V.Jayamani remembered his professor as a man of vision whose dream project have come up at Purushothamagiri, Mylom, a picturesque campus

15 kilometers away from the city. This is a self financing college offering courses on B.com and BBA. It took a while longer than expected to realize the dream of Dr. Purushothaman Nair. However IMDR team could achieve this goal facing so many hurdles - be it technical, legal or financial. The team IMDR could face and circumvent the challenges with determination and with the support of friends and faculty members. Welcoming Professor Kavil, an eminent scholar, Dr. Jayamani recollected his memories as a classmate in the Department of commerce and Management studies, University of Calicut. Dr. Ramachandran maintained a very close relationship with Professor C.N. Purushothaman Nair during his PG studies and thereafter. He stated that Dr. Ramachandran was a bright student all through his academic life and has become world renowned professor of management studies.

In his presidential address Dr K. Sasikumar introduced Professor Kavil to the audience by highlighting his close association with Ram as a professor in IIM Ahmedabad, while he was doing a short term course in IIM. He remembered Dr. C.N.P as a professor par excellence and the man behind establishing IMDR and explained how he followed his footstep in making this organization a prominent one in the academic world. Now his dream project is nearing completion at Purushothamagiri at Mylom, Dr Sasikumar also explained about the pain and pleasure the Team IMDR endured at this point of time. He remembered how the members of the IMDR put their time and effort in bringing up the dream project. Dr Sasikumar as the leader dedicated his whole time for this project after his retirement.

Dr. Kavil Ramachandran in his key note address remembered Professor Purushothaman Nair as a teacher who has paved the way to the world of principles and practice of management. Whatever we teach now in the class rooms and practice in the family business and other areas have all been influenced greatly by the teachings of Dr. C.N.P. The fundamentals cannot be changed though in practice we make subtle changes. The family business which he is familiarized with and specialized in has a strong footing in Indian business scenario. He explained about the genesis and growth of family business in India and its relevance in the current and post-COVID business scenario. At a time we find shelter in

sustainable development through self reliance and swadeshi ideologies, family business has a prominent role to play. He shared with the audience his exposure and experience with family business and wished all the best to the effort of IMDR in pursuing the academic ideology of his guru C.N.P Nair.

Dr. Gabriel Simon Thattil in his short speech remembered professor C.N.P as a true academic who attracted him with his simplicity and straight forwardness. Professor with a human touch, CNP Nair was a centre of attraction and a source of inspiration to the students. Even after his sad demise a decade ago he still continues to be the source of energy behind the development of commerce department as a centre of excellence. The indelible mark in each and every activity undertaken in the department is the legacy left behind by him.

The programme was well attended by his students, colleagues, family members, and friends far and wide. A remembrance note from Dr. Nair's close associate and colleague at DCMS University of Calicut, Dr. T.Govindankutty Nair from Calicut was webcasted in the meeting. In attendance were Dr. C.N.P's wife Professor Bhanumathi Amma, his close associate Professor K.Kalyanaraman from Kumbhakonam, Dr. Chandrasekhara Menon from Coimbatore, Dr. K.P.Muralidharan from UAE, Dr. Rajagopala from Kochi, Dr. P.Unnikrishnan and Dr. Mini Unnikrishnan from Pandalam and T. Chandran from Calicut. Jacob Thomas and P.N.Harikumar were also prominent with their presence.



CONSUMER BEHAVIOUR-FACTORS FAVOURING AND RESTRICTING CHANGE ADHESION TOWARDS CONSUMER DURABLES

***Dr. B. Chandrachoodan Nair, ** Sabu Nair**

Abstract

The human mind exhibits emotions. There is a natural tendency among consumers to seek changes in products as a result of motivation due to emotional gain from the present state of emotional equilibrium. Even when a consumer is satisfied with a product in his possession, the emotions generated may persuade to go in for a new product, especially when choices in the market for a product are many, due to varied reasons. This is very relevant in the case of consumer durables. Such a phenomenon is termed as 'Change Adhesion'. At the same time, there are certain factors that impose restrictions on Change Adhesion. The present research study is an attempt to understand the influence of variables favouring Change Adhesion and also variables that lead to restrictions in Change Adhesion as regard to consumer durables. Here Television is the consumer durable product considered for the purpose of this study. The factors influencing Change Adhesions may vary from product to product. The study is carried out as descriptive research employing both secondary data gathered from published literature and primary data collected using the instrument structured questionnaire. The data collected using a convenience sampling method from hundred respondents were coded and tabulated for analysis using Statistical Package SPSS. The results show that all the factors favourable to Change Adhesion are mutually correlated unlike the factors of restriction to Change Adhesion.

Key words:- Consumer Behaviour, Change Adhesion, Consumer Durable, Loss of excitement

The entire world is in a period of the fourth industrial revolution, called digital disruption. The technological changes which used to take place in a period of hundred years are now taking place within a period not less than a decade. This makes rapid changes in product

technology and its features. This impacts the behaviour of consumers as the market exposes a variety of products to consumers. It is quite natural that consumers may seek new products even though they do not have dissatisfaction over similar products in their possession. This may be due to their needs for

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emotional satisfaction due to loss of excitement after the acquisition of the product. The behaviour of customers in developing motivation to seek changes towards new products is termed as Change Adhesion. Such motivation may be due to their mindset for moving towards new product designs or specifications, additional features, better utility, reputed brand or model, as the case may be and those factors can be brought under climbing needs. Consumers also seek changes for variety needs and also for satisfying end needs. Certain consumers acquire and use products for the sake of experiencing and enjoying. At the same time, there are influence of factors that leads to restrictions to Change Adhesion. The present study is an attempt to study the influence of those factors favouring and restricting Change Adhesion, considering only one consumer durable product Television.

2. Objective

The prime objective of the study is to study the influence of factors favouring and restricting Change Adhesions in the case of consumer durables.

3. Methodology

The study is undertaken as descriptive research work. The study variables identified formed the dependent variable and demographic variables were considered as the independent variables. Both primary and secondary data were collected as part of the study. Since the population is defined as all consumers having possession of TV and hence the population size becomes infinite. This restricts random sampling and hence convenient sampling method was

employed for sample for completing the data collection. The total number of samples was restricted to 100 due to the prevailing pandemic Covid-19 crisis. Sample consumers were chosen from those who possess a Television at present. The instrument for data collection was a structured questionnaire. The tabulated data were subjected to descriptive analysis and the hypothesis formulated was tested using inferential statistical analysis with the application of SPSS.

4. Literature Review

Human preferences and choices as regard to consumer durable varies from individual to individual. It is more predominant in the present-day world with the presence of more choices made available in the market since the advent of globalization. An individual consumer seeks changes in the existing product as a result of emotional gain from the prevailing state of mind. Consumers may often lose excitement towards a product very recently acquired. At the same time, a restrictive force may also be emerged subsiding the emotional gain. This phenomenon is termed Neuro- Kinetics (Awin & Chandrachoodan, 2015) in the study of consumer behaviour. The motivational need hierarchical theory of Abraham Maslow seems to be very relevant here. An individual need not get fully unsatisfied for going towards higher-order needs. Surveys conducted in the US,UK, and Germany argued that economic prosperity was responsible for the rise in self-actualisation in those societies. The basic driving force that predisposes consumers to act in certain ways must be personality traits (Plummer,2000).Emotions were

considered as a pertinent factor while the study on decision making attempted by researchers. According to a study (Dan Hill, 2008) emotions had driven reason more than reason driving emotions and emotions mediate responses to advertising (Holbrook et.al,1991).Emotions are twice as important as “facts” in the process by which people make buying decisions’ (Morris et al, 2002).It was reported that pride was an emotional response to climbing needs. Certain research studies concluded that pride was linked to self-efficacy and motivation for achievements in the future (Frederickson, 2001) and it could influence consumers’ self-control (Wilcox et.al, 2011). Situational factors are also influenced when the choice of a specific brand is in question and even evaluation of the product class is not carried out (Bloch et.al, 1984). People perceive that recognition by others is on the basis of the product they consume (Bocock, 1993).A research work on consumer passion and desire (Belk et.al 2003)possession for a brand accrues as a desire due to strong, highly emotional, captivating, and motivating force. The consumers’ level of stimulation drops when they feel satiated with the attributes of a product in the possession and the initiation of a behavioural response arises for seeking variety of products (McAlister & Pessemier, 1982). Consumers who remain connected to certain brands will find it difficult to switch over to another brand(Keller, 2001)and it becomes a restriction factor to Change Adhesion. The research studies show that the favourable and restrictive factors of Change Adhesion may differ from product to product

(Awin & Chandrachoodan, 2017).The fast-moving goods may be perceived in a different way as the tendency is more or less for a habitual action unlike the case of consumer durables.

5. Analysis and Discussion

The research question was the factors of Change Adhesion by those who are already in possession of a TV due to emotional excitement. For the purpose of the research study, after a preliminary investigation, seven variables favouring Change Adhesion and another seven variables restricting Change Adhesion were identified. The factors favouring the Change Adhesion are, i. For a latest model,ii. Going for a higher-end model iii. For a new TV with better features ,iv. Forreplacing existing TV for a reputed brand, v. for a new variety vi.For meeting more end needs and vii.Getting a better product. The restricting factors considered are i. requirement of additional funds ii. Emotional bonding with an existing product, iii. Fear of loss when going for new one, iv. Loyalty to the existing brand v.No interest in changing TV vi. Performance of the existing one andvii.Considering it as a low priority now.The results of the analysis of the data collected are described below.

5.1 Gender and Opinion on Factors of Change Adhesion

In order to understand whether there is any difference between male and female as regards to factors favouring and restricting Change Adhesion the following hypothesis was considered.

Null Hypothesis H_0 : There is no significant difference between male and

female as regard to their opinion on factors of Change Adhesion. The results of the independent sample t-test are shown in Table 1.

On perusal of the table, it can be seen that the p-value for the favourable factor the excitement for the ‘Latest model’ is less than 0.01 and hence the null hypothesis is rejected at a 1% level of significance. As regards to the favourable factor concerned with the emotional influence towards a ‘High-End Model, the null

hypothesis is rejected at a 5% level of significance. In the case of the remaining five favourable factors under study, the null hypothesis is accepted which indicates of that the influence of the excitement due to emotional gain with respect to those factors do not exhibit any variation between male and female.

While looking at the factors restricting Change Adhesion, the null hypothesis is accepted as the p-value is greater than 0.05 in all cases.

Table 1
Gender and Factors of Change Adhesion

Factors of Change Adhesion	Gender				t-value	p-value
	Male		Female			
	Mean	Standard Deviation	Mean	Standard Deviation		
Favourable Factors						
Latest Model	4.06	0.694	4.23	0.908	0.948	0.076
High End Model	3.71	0.462	3.36	1.185	1.619	<0.001**
Better Features	4.26	0.567	4.41	1.081	0.728	0.011*
Reputed Brand	4.15	0.657	4.45	0.948	1.692	0.115
Change in variety	3.94	0.983	3.70	1.022	1.146	0.997
End needs	3.58	0.743	3.97	1.163	1.736	0.052
Better Quality	4.47	0.507	4.50	1.041	0.155	0.075
Restriction Factors						
Lack of Funds	3.65	1.152	3.85	1.056	0.876	0.316
Emotional Bonding	3.21	1.122	3.03	1.037	0.780	0.600
Fear of Loss	3.00	1.044	3.26	1.027	1.181	0.353
Loyalty to Existing Brand	2.94	1.179	2.77	1.005	0.748	0.686
Lack of interest to change	2.50	0.788	2.02	0.953	2.550	0.345
Performance of Existing one	3.65	0.950	3.79	1.015	0.866	0.750
Low Priority	3.71	0.970	3.55	0.826	0.671	0.079

***Denotes 1% significance level,* Denotes 5% significance level*

5.2. Age Group and Factors of Change Adhesion

The following hypothesis is developed to understand the impact of the variables of Change Adhesion among consumers of varying age groups.

Null Hypothesis H_0 : There is no significant difference among people of different age group as regard to the factors of Change Adhesion.

As can be seen from the table the p-value for the factor ‘End Needs’, among the favourable factors is less than 0.01, and the Null Hypothesis relating to that

factor is rejected at a 1% level of significance. With respect to all the other factors favourable to Change Adhesion, the Null Hypothesis is accepted.

As regard to the factors of restriction to Change Adhesion, p-value is less than 0.01 for ‘Fear of Loss’ and ‘Low Priority’ and the Null hypothesis is rejected at a 1% level and for all other factors, Null hypothesis is accepted.

5.3. Employment Category and Factors of Change Adhesion

The sample collected belong to different category of employment and the

Table 2
Age Group and Factors of Change Adhesion

Factors of Change Adhesion	Age Group in Years										F Value	p- value
	<30		30-40		40-50		50-60		>60			
		SD	M	SD	M	SD	M	SD	M	SD		
Favourable Factors												
Latest Model	4.22	0.641	4.27	0.990	3.45	0.934	4.33	0.500	4.25	0.683	2.394	0.056
High End Model	3.56	1.086	3.38	1.163	3.27	0.905	3.67	0.500	3.63	0.683	0.397	0.811
Better Features	4.67	0.480	4.27	1.217	3.73	1.191	4.33	0.500	4.50	0.516	2.259	0.068
Reputed Brand	4.56	0.698	4.11	1.173	4.65	0.522	4.67	0.500	4.31	0.479	1.468	0.218
Change in Variety	4.00	1.074	3.54	1.016	3.64	1.120	4.00	0.000	3.94	1.063	1.103	0.360
End Needs	4.40	0.698	3.81	1.101	3.00	0.755	4.00	0.866	3.38	1.147	5.755	<0.01**
Better Quality	4.56	0.506	4.49	1.121	3.73	1.191	4.67	0.500	4.81	0.403	2.849	0.028
Restriction Factors												
Lack of Funds	4.00	0.961	3.97	0.897	3.55	1.214	3.00	0.866	3.56	1.504	2.101	0.087
Emotional Bonding	3.56	0.974	2.84	1.236	2.91	0.701	3.33	1.00	2.88	0.806	2.283	0.066
Fear of Loss	3.89	1.121	2.86	0.948	2.64	0.809	2.67	0.500	3.31	0.793	6.622	<0.01**
Loyalty to Existing Brand	2.44	0.847	3.05	1.177	2.64	0.809	3.00	1.500	3.00	0.894	1.583	0.185
Lack of Interest to Change	2.56	1.188	2.08	1.010	2.00	0.000	1.67	0.500	2.19	0.403	2.104	0.086
Performance of Existing One	4.00	0.961	3.49	1.146	3.91	1.044	3.33	1.000	4.00	0.000	1.867	0.123
Low Priority	3.44	0.847	3.76	0.760	2.73	0.467	3.33	0.500	4.25	1.00	7.021	<0.01**

** denotes 1 % confidence level

data were coded and tabulated. To study the difference among consumers of different employment groups, the following hypothesis is developed and tested using One Way ANOVA and the Table 3 depicts the result of the analysis.

Null Hypothesis H_0 : There is no significant difference among consumers of different category of employment as regard to factors of Change Adhesion.

Table 3 shows that the p-value for all the favourable variables is greater than

0.01 and hence Null Hypothesis is accepted.

But when considering factors restricting Change Adhesion, the p-value is less than 0.01 for the factors ‘Lack of Interest to Change’, ‘Emotional Bonding’, and ‘Low Priority’, rejecting the Null Hypothesis with respect to those factors at 1% level of significance. But the p-value of the factors ‘Lack of Funds’, ‘Loyalty to Existing Brand’ and ‘Performance of the Existing TV’ is less

Table 3
Employment Category and Factors of Change Adhesion

Factors of Change Adhesion	Employment Category										F Value	p-value
	Staff		Executive		Professional		Retired		Others			
	M	SD	M	SD	M	SD	M	SD	M	SD		
Favourable Factors												
Latest Model	4.17	0.707	4.30	0.483	3.92	0.818	4.56	0.527	4.36	1.075	1.732	0.149
High End Model	3.67	0.970	3.60	0.516	3.42	1.081	3.56	0.726	3.36	1.186	0.313	0.868
Better Features	4.50	0.514	4.60	0.516	4.26	0.921	4.56	0.527	4.24	1.363	0.556	0.695
Reputed Brand	4.67	0.485	4.70	0.483	4.34	0.627	4.33	0.500	4.00	1.384	2.109	0.086
Change in Variety	3.67	0.767	4.10	0.316	3.87	0.991	4.11	0.928	3.48	1.327	1.180	0.325
End Needs	3.83	0.707	3.90	0.806	3.89	0.831	3.11	1.167	4.00	1.472	1.274	0.286
Better Quality	4.67	0.485	4.30	0.483	4.55	0.860	4.56	0.527	4.32	1.314	0.564	0.689
Restriction Factors												
Lack of Funds	4.17	0.924	3.90	0.316	3.97	1.150	2.89	1.167	3.48	1.085	3.134	0.018*
Emotional Bonding	3.67	1.283	3.70	0.483	3.11	1.008	2.89	0.782	2.48	0.918	4.960	0.001**
Fear of Loss	3.33	0.970	3.40	0.516	2.92	0.997	3.22	1.093	3.32	1.249	0.919	0.457
Loyalty to Existing Brand	3.00	1.328	3.70	0.483	2.50	0.923	2.78	0.972	2.88	1.092	2.931	0.025*
Lack of Interest to Change	3.17	1.249	2.00	0.000	2.00	0.697	2.22	0.667	1.80	0.764	8.689	<0.001**
Performance of Existing One	3.83	1.098	2.90	1.197	3.61	1.079	4.11	0.333	4.08	0.572	3.354	0.013*
Low Priority	3.83	0.924	3.30	0.483	3.26	0.760	4.11	0.601	3.88	1.013	3.808	0.006**

***Denotes 1% significance level, *Denotes 5% significance level*

than 0.05 and hence the Null Hypothesis is rejected at a 5% level of significance as regards to those factors. For the remaining factor of restriction to Change Adhesion 'Fear of Loss', the Null Hypothesis is accepted.

5.4. Income group and Factors of Change Adhesion

The data collected as regard to the various factors understudy from respondents were segregated for different income groups. The influence of factors of Change Adhesion among consumers of different income groups was subjected to analysis with the following Hypothesis.

Null Hypothesis H_0 : There is no significant difference among consumers of different income group as regard to factors of Change Adhesion.

The results of One-way ANOVA conducted for testing the hypothesis is shown in Table 4. Looking at the p values with respect to the factors favouring Change Adhesion, it can be seen that the Null Hypothesis for the factor 'End needs' is rejected at a 1% level of significance, since the p-value being less than 0.01. But for all other factors, the Null hypothesis is accepted.

On considering the factors of restriction to Change Adhesion, the p-value is less than 0.01, for the factors 'Emotional Bonding' and 'Lack of Interest to Change' and the Null Hypothesis is rejected at a 1% level of significance. As regards to the factors 'Loyalty to Existing Brand' and 'Performance of the Existing Brand, the p-value is less than 0.05, and hence the Null Hypothesis is rejected at 5% level of

significance. The Null Hypothesis is accepted in the case of other factors 'Lack of Funds' and 'Low Priority'.

5.5. Mean Rank towards Factors of Change Adhesion

In order to understand the significant difference among mean rank towards factors of Change Adhesion, a hypothesis is formulated as given below.

Null Hypothesis H_0 : There is no difference among mean rank towards factors of Change Adhesion.

The hypothesis is tested using the Friedman test and the results are given in Table 5. From the results shown in the Table, it can be seen that the null hypothesis is rejected in both the favourable and restriction factors as the p-value is less than 0.01. This indicates that the null hypothesis is rejected for the two sets of factors representing favourable and restriction factors understudy at a 1% level of significance. Hence it can be inferred that there is a significant difference among mean ranks towards factors favouring Change Adhesion as well as among factors restricting Change Adhesion.

While considering factors favouring Change Adhesion the factor 'Better Quality' with a mean rank of 5.11 is most favourable, followed by 'Better Features' (Mean Rank 4.74), 'Reputed Brand' (Mean Rank 4.57), 'Latest Model' (Mean Rank 4.23), 'End Needs' (mean rank 3.39), 'Change in Variety' (Mean Rank 3.35) and 'High-End Model' with lowest mean Rank 2.63. Among factors restricting Change Adhesion, 'Lack of funds' (Mean Rank 5.01) is the most influencing factor restricting Change Adhesion as the basic

Table 4
Income group and Factors of Change Adhesion

Factors of Change Adhesion	Income Group (in years)										F Value	p-value
	<20000		20000-30000		30000-40000		40000-50000		>50000			
	M	SD	M	SD	M	SD	M	SD	M	SD		
Favourable Factors												
Latest Model	4.10	1.165	4.42	0.507	4.50	0.926	4.33	1.000	4.00	0.715	1.315	0.270
High End Model	3.50	1.318	4.00	0.000	3.75	1.318	3.33	1.000	3.23	1.008	2.249	0.070
Better Features	3.95	1.356	4.74	0.442	4.50	0.926	4.33	1.000	4.36	0.810	1.829	0.130
Reputed Brand	4.10	1.410	4.42	0.769	4.50	0.926	4.00	0.866	4.48	0.505	1.111	0.356
Change in Variety	3.40	1.465	4.46	0.733	4.13	0.835	3.67	0.500	3.70	0.904	2.218	0.073
End Needs	3.55	1.234	4.42	0.507	4.50	0.926	4.33	0.500	3.50	1.067	4.945	<0.01**
Better Quality	4.25	1.446	4.58	0.507	4.38	0.518	5.00	0.000	4.48	0.124	1.186	0.322
Restriction Factors												
Lack of Funds	4.00	0.795	3.84	1.068	4.00	0.000	3.67	1.323	3.64	1.259	0.508	0.730
Emotional Bonding	3.65	1.309	3.11	0.875	2.50	1.309	2.67	1.000	3.02	0.902	2.549	0.044*
Fear of Loss	3.50	1.051	3.32	0.946	3.25	1.669	3.00	0.866	2.98	0.952	1.059	0.381
Loyalty to Existing Brand	3.25	1.209	3.11	0.658	2.50	0.926	3.33	1.00	2.48	1.067	3.277	0.015*
Lack of Interest to Change	3.05	1.234	2.32	0.946	1.50	0.926	1.67	0.500	1.95	0.429	9.270	<0.01**
Performance of Existing One	3.95	0.945	3.11	0.875	4.38	0.518	3.67	1.323	3.82	0.947	3.369	0.013*
Low Priority	4.00	0.973	3.47	Brand [?]	3.50	1.309	3.67	0.500	3.48	0.902	1.419	0.233

***Denotes 1% significance level, *Denotes 5% significance level*

need for replacing an existing one is the requirement of additional funds. The least influencing factor is ‘Lack of Interest to Change’ (Mean Rank 2.11) as the emotional influence will be tending to go in for a new one.

The mean rank for other factors is 4.94 for ‘Performance of Existing One’, 4.64 for ‘Low Priority’, 3.98 for ‘Fear

of Loss’, 3.92 for ‘Emotional Bonding’, 3.43 for ‘Loyalty to Existing Brand’.

5.6. Correlation between Factors towards Change Adhesion

The factors favouring Change Adhesion and those restricting Change Adhesion were subjected to correlation analysis and Pearson Correlation

Table 5
Mean Rank towards Factors of Change Adhesion

Factors of Change Adhesion	Mean Rank	Rank	Chi-Square value	p-value
Favourable Factors				
Latest Model	4.23	IV	160.291	<0.01**
High End Model	2.63	VII		
Better Features	4.74	II		
Reputed Brand	4.57	III		
Change in Variety	3.35	VI		
End Needs	3.39	V		
Better Quality	5.11	I		
Restriction Factors				
Lack of Funds	5.01	I	158.014	<0.01**
Emotional Bonding	3.92	IV		
Fear of Loss	3.98	III		
Loyalty to Existing Brand	3.43	V		
Lack of Interest to Change	2.11	VII		
Performance of Existing One	4.94	II		
Low Priority	4.64	III		

*** indicates significant at 1% level*

Coefficients are worked out and detailed below.

5.6.1. The Correlation between Factors Favourable to Change Adhesion

The correlation between factors favourable to Change Adhesion is studied and the Pearson Correlation coefficient is worked out. Table 6 depicts the correlation coefficient of factors favouring Change Adhesion. A close look at the table reveals many interesting phenomena, One of the very interesting phenomena that can be noticed from

Table 6 is that all the factors favouring Change Adhesion is in positively correlated at a significant level of 1%. It is seen that there is an 83.1 percent positive relationship between the 'Latest Model' and 'Better Feature'. Similarly 'Better Quality' and 'Better Features' have 78.8 percent positive relationship. The correlation coefficients indicate an interrelationship between the factors favouring Change Adhesion. The factor 'Latest Model' has a 70.8 percent positive relationship with the factor 'Better Quality', 55.7 percent with 'High-End Quality', 41.5 per cent with 'Change in

Variety’, 41.3 with ‘Reputed Brand’ and 59.0 percent with ‘End Needs’. The factor ‘High-End Model is 55.70 percent, positively correlated with ‘Latest Model, 54.1 per cent with Better Features’ and so on. Similarly, all the factors favouring Change Adhesion are correlated as can be read from Table 6.

5.6.2. Correlation between Factors o Restricting Change Adhesion

Table 7 depicts the results of the analysis in determination of the Pearson Correlation Coefficient. It can be seen that there is a positive correlation between certain factors at a 1% level of significance and certain other factors exhibiting a 5% level of significance. There are factors which do not exhibit a correlation between other factors and there is a negative correlation between certain factors. The factor ‘Lack of funds’ have a positive correlation with ‘Fear of Loss’ at

a 1% level of significance, and with ‘Lack of Interest to Change’ and ‘Low Priority’ at a 5% significant level. The factor ‘Emotional Bond’ has a positive relationship with ‘Fear of Loss’ and ‘Lack of Interest to Change’ at a 1% level of significance. The factor ‘Loyalty to existing Brand has a negative correlation with ‘Performance of Existing One’ at 1% significant level. There is positive as well as a negative correlation between certain variables can be noticed from the Table 7.

Findings

The study attempted to analyse in detail the analysis of factors leading to emotional gain and loss of excitement in arriving at a decision to purchase a new TV. It is noticed that much difference is not seen in the case of male and female and the only difference in influence due to emotional gain is exhibited in case of deciding for purchase of ‘High-End

Table 6
Correlation between Factors Favourable to Change Adhesion

Factors Favourable	Latest Model	High End Model	Better Features	Change in Variety	Reputed Brand	End Needs	Better Quality
Latest Model	1	0.557**	0.831**	0.415**	0.413**	0.590**	0.708**
High End Model	0.557**	1	0.541**	0.279**	0.560**	0.454**	0.487**
Better Features	0.831**	0.541**	1	0.575**	0.436**	0.582**	0.788**
Change in Variety	0.415**	0.279**	0.575**	1	0.376**	0.460**	0.506**
Reputed Brand	0.413**	0.560**	0.436**	0.376**	1	0.423**	0.456**
End Needs	0.590**	0.514**	0.582**	0.460**	0.423**	1	0.601**
Better Quality	0.708**	0.487**	0.788**	0.506**	0.456**	0.601**	1

***Correlation is Significant at 1percent significant level*

Table 7

Correlation between Factors of Restriction to Change Adhesion

Factors of Restriction	Lack of Funds	Emotional Bonding	Fear of Loss	Loyalty to Existing Brand	Lack of Interest to Change	Performance of Existing One	Low Priority
Lack of Funds	1	0.104	0.303**	-0.059	0.200*	-0.025	0.225*
Emotional Bonding	0.104	1	0.463**	0.067	0.394**	-0.073	0.039
Fear of Loss	0.303**	0.463**	1	0.001	0.136	0.053	0.143
Loyalty to Existing Brand	-0.059	0.067	-0.001	1	-0.153	-0.301**	0.171
Lack of Interest to Change	0.200*	0.394**	0.136	-0.153	1	0.162	0.202*
Performance of Existing One	0.025	-0.073	0.053	-0.301**	0.362	1	0.216*
Low Priority	0.225*	0.039	0.143	-0.171	0.202*	0.216*	1

*** Correlation is Significant at 1 percent Significant Level. * Correlation is Significant at 5 percent Significant Level.*

Products’ and TV with ‘Better Features’. From the descriptive analysis it can be seen that the emotional gain and loss of excitement do not have much difference in male and female even though the deviations differ between male and female. Among the different age groups of consumers, the only difference is noticed in the factor ‘End Needs’ creating excitement for a new product. This may be due to the fact that some may be fond of having TV with more end-use like smart applications with internet connections for watching movies or for playing a blue ray player. The factors leading to resistance to Change Adhesion are ‘Fear of Loss’ and ‘Low Priority’.

Some people believe that irrespective of the brand the life of the product may get reduced being an electronic product and if the performance of the existing TV is satisfactory certain consumers may have a fear of parting with it as they are doubtful whether the new one may perform better than the existing one. Among people of different employment groups, the emotional gain leading to new purchase remains the same. But as regard to the variables leading to loss excitement, there exists a difference except for the factor ‘Fear of Loss’. Among people of different income groups, the only factor which shows a difference in emotional level is ‘End Needs’. The mean rank of

the factors favourable to and restricting Change Adhesion varies and hence the level of influence of the factors leading to emotional gain and loss of excitement varies. The interesting phenomena observed is that all the factors favouring emotional gain, are mutually correlated and that does not exist in the case of restriction factors of Change Adhesion.

6. Conclusion

The subject of 'Emotionomics' has been a matter of interest to many researchers in the field of Psychology. Here in this study the emotional gain and loss

of excitement in consumers on the decision making in the purchase of a TV are attempted. The emergence of emotion will be more exhibited in the case of a consumer durable than a fast-moving consumer product which tends to be a more or less habitual purchase. It is hoped that the study will be beneficial to marketers in developing an appropriate marketing strategy. The study opens up a large horizon for studies as it can be extended to all consumer durables and it can give valuable insights to marketers of consumer durables.

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HOUSEHOLD TRUST IN BANKING INSTITUTIONS: THE CASE OF KERALA

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Abstract

In contemporary times the nature of financial services is becoming increasingly innovative and sophisticated, this creates problems of choosing financial products for a person with low financial literacy. Thus there is no choice, but rather trust the appropriateness of services offered by institutions. The levels of trust among Indian households has been a cause of concern and that the extent to which banks have been able to generate trust is doubtful. This paper attempts to measure the level of trust among the households, and since it relates to a period after achieving substantial strides in financial inclusion, it becomes significant.

Key words:- Trust, financial institutions, Banks, Households

Trust in financial services has been considered very critical by consumers, maybe more than in any other product or service. The implication of having trust in financial institutions highlights in studies like Ajayi (2016), who, in his study, shows that, in Nigeria, having more trust in financial

institutions increases the probability of saving at formal financial institutions. Some studies again confirmed this; Beckmann and Mare (2017), who collected data from emerging markets of Europe using the probit estimation technique, highlighted that having trust in financial institutions increases the chances

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of participating in formal savings programs. Samuel Tawiah Baidoo and Linda Akoto, in a study conducted at Ghana, revealed that there was a positive relationship between trust and likelihood for saving at a financial institution. Even though there are studies that explore various dimensions of trust and its implications internationally, the studies which exclusively research in different dimensions of trust among financial institutions in India are scarce.

Being a very dynamic area and having more significant implications in the real world, research in the area of trust has gained much attention from the researchers and institutions for its implication in policy making. A better understanding of the concept of trust is essential because a lack of trust in formal financial institutions can lead to a deliberate abstention from participating in formal sources of finance, resulting in a situation of high reliance in money-lenders for credit and also investments in physical assets such as land and gold for investment. The evidence from the All India Debt and Investment survey highlights the fact that the average Indian household had 77 percent of its total assets in the form of land and also 11percent in the form of gold. This is quite a contrary picture in an international sense when comparing to countries like US (44%) and Germany (37%).

Moreover, there are many financial services that financial service providers offer, which have complicated terms and benefits. which is challenging for a common man with little or no financial literacy to fully understand the underlying

risk. When consumers take financial advice from the service providers, there are chances that they may be let down by wrong pieces of advice from agents as a result of a commission. Once consumers come to realize the damage done, he loses his confidence in the formal institutions and looks for an alternative like cash dealing or other alternative sources. It is therefore even more critical to understand the existence of trust issues among the households. This can also help stimulate a further discussion on the possible link to the impact of trust issues on the nature of investment made by the household.

This study makes at least two vital contributions. First, by throwing the latest insights into how households perceive the financial institutions in Kerala, the paper also clarifies our concern regarding any possible issues with trust in the financial institutions. The article to the best authors' knowledge is the first of its kind in Kerala to have exclusively measured the level of trust among Households on the financial institutions in Kerala. Secondly, the study also tries to identify the underlying dimensions of trust and trustworthiness of service providers. The remaining part of the paper is as follows. Sections II deals with the literature review, while section III is related to the methodologies employed in this study. Section IV on Data analysis part, while the last part concludes with conclusions and policy implications.

Literature review

Trust, being a very complex notion, is very complicated to put in words and thus does not have an easy definition to state. However, one of the significant definition to the area has been contributed

by Francis Fukuyama's in which he defines: "trust is an expectation that arises in a community on the subject of regular, honest and cooperating behavior of other community members on the grounds of commonly accepted standards." From an economic viewpoint, the perception of entities on the transaction costs of financial products or services can be taken as a basis for explaining trust, i.e., Bigger the trust between the entities, smaller the transaction cost. Jakubowska (2013)

Information asymmetry theory could explain the connection between trust and decision making. Information asymmetry relates to a situation where one of the party in a transaction hold more knowledge about a matter more than the other. In such a case, the one who holds significant knowledge of a transaction could take undue advantage over the other; in such circumstances, it is most likely that trust will be affected and eventually affect decision-making. The decision to interact with a bank may depend on various factors e.g., the case of transparency if the bank does not provide complete information on a financial contract, whether it be the case of savings or credit like hidden charges, processing charges, Then the decision to participate will be duly affected due to inadequate information. In all such situations, instilling trust in the bank by households is the key.

It is also striking that there is no clarity on the exact dimensions to measure trust or trustworthiness, as many authors have very contrasting views on the subject. According to van Raaij W.F. (2016), Trust is crucial for the economy to function and is required for transactions of consumers

with financial institutions. Drivers of trust are competence, stability, integrity, customer orientation, transparency, and value congruence.

Lee and Turban (2001) identified integrity, competency, ability and benevolence as the underlying dimensions of trustworthiness. These dimensions were later confirmed by Chong et al. (2003) in a study of e-commerce organizations. In a study by Caldwell and Clapham (2003) ability and skills, competencies and expertise emerged as the critical elements of trustworthiness. Similarly, Bews and Rossouw (2002) found openness, integrity, benevolence, and competency as the dimensions of trustworthiness in an insurance service provider.

Based on the work done by the Financial Services Research Forum, Ennew and Sekhon (2007) developed a framework to measure consumer trust and organizational trustworthiness in the context of financial services. They found expertise, competence, integrity and consistency in behavior, effective communication, shared values and concern and benevolence as determinants of organizational trustworthiness.

From the above, it may be clear that there is no consensus on what the underlying dimensions for trust and trustworthiness are. Therefore, the present research is an attempt to gain a better understanding of the underlying dimensions of consumer's trust in a service provider and its trustworthiness.

Research problem

Traditionally, Indian household had faced trust issues with formal financial

service providers. This was basically a result of negative perceptions on formal financial institutions due to occasional negative experiences like loan rejection and discrimination. However, after the introduction of schemes such as Prime Minister Jan Dhan Yojana (PMJDY) and other financial inclusion measures, the interaction of households with formal financial institutions has increased. Due to the changed circumstances, it is vital to investigate the prevalence of trust issues of the households with formal financial institutions.

Research Question

What are the underlying dimensions of trust and trustworthiness of service providers among households?

Do households trust in formal financial institutions, and Whether they differ in their perception of trust based on socio-demographic factors such as Religion and Caste?

Objective

To identify the underlying dimensions of trust and trustworthiness of service providers.

To assess the level of trust in financial services based on the religious affiliation of households.

Research Methodology

This study relies on primary data. The data is obtained from households in Kerala using a structured questionnaire from the Thiruvananthapuram district in Kerala. A Convenient Sampling Technique was used in this study, a total of 500 questionnaires were administered, yielding

384 completed questionnaires, out of which 300 were usable. The data of the study was collected during a period of three months from August to October 2019.

Estimation Technique

All measurement scales in this research have been adopted from previously developed scales. In order to assess the level of trust in financial services of households, Items capturing customer trust dimensions were drawn from scales developed by Ennew and Sekhon (2007) and Sekhon et al. (2014). Households were asked to state their level of agreement or disagreement on a 5-point Likert scale that ranges from “strongly disagree” to “strongly agree”(1: Strongly Disagree to 5: Strongly Agree).The questions on the questionnaire included socioeconomic characteristics of households like religion and caste also.

In order to identify the dimensions of trust, Factor analyses using SPSS Principal Component Analysis and a standard Varimax orthogonal with Kaiser Normalisation Rotation Model with a cut-off of eigenvalue over 1.0 and factor loading of 0.40 were used. The study also used a reliability test to inspect the trustworthiness of items. For that, Chronbach’s alpha was done.

After identification of different dimensions of trust further, the levels of trust or trustworthiness were measured.

Data analysis

Underlying dimensions of trust and trustworthiness of service providers among households

Table 1
Table of Communalities

Variable	Extraction	Variable	Extraction	Variable	Extraction	Variable	Extraction
A1	0.774	A10	0.612	A19	0.538	A28	0.467
A2	0.734	A11	0.627	A20	0.521	A29	0.508
A3	0.708	A12	0.657	A21	0.578	A30	0.371
A4	0.246	A13	0.631	A22	0.638	A31	0.64
A5	0.624	A14	0.627	A23	0.596	A32	0.588
A6	0.551	A15	0.578	A24	0.594	A33	0.519
A7	0.543	A16	0.505	A25	0.55	A34	0.475
A8	0.491	A17	0.584	A26	0.57		
A9	0.669	A18	0.597	A27	0.499		

Source:- Primary data

Underlying Dimensions of Trust

The Validity of the Instrument: There are certain trust measurement variables that have a bearing on household trust. The data collected from the respondents on the first 11 items are subjected to factor analysis (Rotated Component Matrix) using SPSS. The principal component analysis done with the 11 independent variables resulted in 3 factors.

The Kaiser-Meyer-Olkin Measure (KMO) of Sampling Adequacy was 0.738, which is satisfactory, and the value for Barlett's Test was significant ($p=.000$).

Factor 1: Factor 1 was concluded with four items related to Affective trust, having an excellent factor loading between 0.873, 0.849, 0.84 and only last statement related to concern about customer interest receiving a lesser loading of 0.456. Affective trust describes the confidence one entrusts in another person on the basis of the emotions generated due to the level of care and concern the person demonstrates (Johnson-George and Swap, 1982; Rempel et al., 1985). It is also

characterized by a feelings of security and perceived strength of the relationship. Reputation effects also influence affective trust, but affective trust is decidedly more confined to personal experiences than cognitive trust.

Factor 2: Factor 2 consisted of four items associated with customer's disposition to trust having a very good factor loading between 0.768 to 0.681. Customer trust in a banking institution is very important as knowledge of future activities of bank and also uncertain economic environment makes it very important for consumers to dispose of their trust with banking institutions.

Factor 3: Factor 3 consisted of three items associated with cognitive trust having an excellent factor loading between 0.799 to 0.755. Cognitive trust is understood as customer's confidence or willingness to rely on a service provider's competence and reliability (Moorman et al., 1992; Rempel et al., 1985). It arises from an accumulated knowledge that allows people to make predictions, with

Table 2
Description of factors

Description of Variables			
Variable	Items	Mean	SD
A1	My bank has a reputation for having its customer's interest at heart	3.64	0.87
A2	My bank has a reputation for looking after its customers	3.63	0.87
A3	My bank makes every effort to address my needs	3.66	0.88
A4	My bank is concerned about my best interest	3.69	0.77
A5	My bank is honest with me	3.66	0.82
A6	I trust my bank to have my best interest at heart.	3.64	0.88
A7	My bank is reliable	3.65	0.79
A8	I trust my bank to do what it says it will do	3.63	0.83
A9	My bank has a reputation for being honest	3.88	0.77
A10	My bank has a reputation for being dependable	3.88	0.79
A11	My bank has a reputation for being reliable	3.88	0.78
A12	Is efficient	3.78	0.93
A13	Is knowledgeable	3.79	0.93
A14	Has the information it needs to conduct its business	3.78	0.94
A15	Can be relied upon to give honest advice	3.80	0.94
A16	Competently handles all my requests	3.76	0.93
A17	Conducts transactions fairly	3.77	0.99
A18	Is honest	3.83	0.90
A19	Shows high integrity	3.77	1.02
A20	Is consistent in what it does	3.82	0.96
A21	Keeps its word	3.81	0.99
A22	Communicate clearly	4.05	0.80
A23	Informs me immediately of new developments	3.98	0.77
A24	Communicates regularly	3.98	0.79
A25	Informs me immediately of any problems	4.05	0.84
A26	Act as i would	3.78	0.91
A27	Is responsive when contacted	3.79	0.88
A28	Treats its customers fairly	3.76	0.92
A29	Shows respect for the customers	3.77	0.90
A30	Acts in the best interest of its customers	3.78	0.91
A31	Has the same values as me	3.93	0.86
A32	Is receptive to my needs	3.93	0.85
A33	My bank does whatever it takes to make me happy	3.92	0.86
A34	Has the same concerns as me	3.96	0.80

Source:- Primary data

certain level of confidence, regarding the possibility that a another person will live up to his/her obligations.

Reliability of the Instrument: From the table-2, it is seen that the reliability value

was estimated to be $\alpha = 0.78$ to 0.713 , if we compare the reliability value of the scale used in the present study with the standard value alpha of 0.6 advocated by Cronbach's (1951). Here all variables

Table 3
Factor analysis results for measures of trust

Rotated Component Matrix			
Trust Items	Component		
	Factor 1	Factor 2	Factor 3
Factor 1:- Affective Trust			
My bank has a reputation for having its customer's interest at heart	0.873		
My bank has a reputation for looking after its customers	0.849		
My bank makes every effort to address my needs	0.84		
My bank is concerned about my best interest	0.456		
Factor 2:- Disposition to Trust			
My bank is honest with me		0.768	
I trust my bank to have my best interest at heart.		0.732	
My bank is reliable		0.729	
I trust my bank to do what it says it will do		0.681	
Factor 3:- Cognitive Trust			
My bank has a reputation for being honest.			0.799
My bank has a reputation for being dependable			0.76
My bank has a reputation for being reliable			0.755
Cronbach's alpha	0.78	0.72	0.713
Percentage Variance Explained	26.668	22.148	10.985

Source:- Primary data

satisfy the condition. Hence, researchers are satisfied with the reliability and validity of the scale.

Drivers of Trustworthiness

The Validity of the Instrument: There are certain trustworthiness measurement variables that have a bearing on household trust. The data collected from the respondents on the 23 items are subjected to factor analysis (Rotated Component Matrix) using SPSS. The principal component analysis done with the 23 independent variables resulted in 5 factors.

The Kaiser-Meyer-Olkin Measure (KMO) of Sampling Adequacy was 0.818, which is close to threshold limit 1 (one), and the value for Barlett's Test was significant ($p=.000$).

Factor 1: Factor 1 comprised of 5 statements which are concerned with Expertise and competence. These statements also carried very good factor loading values ranging from 0.787 to 0.647. Expertise and competence signal ability; and Mayer, Davis and Schoorman (1995) argue that such signalling is vital in enhancing organizational trustworthiness. To trust or to be willing to accept vulnerability they must be confident that the trustee has the capability to deliver on what is promised and deliver the solutions (Abrams, Cross, Lesser, & Levin, 2003), and this, in turn, relates to competence which as discussed earlier has been considered to be a vital construct by Butler (1991).

Table 4
Factor analysis results for Drivers of trustworthiness

Rotated Component Matrix					
Trustworthiness items	Component				
	Factor 1	Factor 2	Factor 3	Factor 4	Factor 5
Factor 1:- Expertise					
Is efficient	0.787				
Is knowledgeable	0.764				
Has the information it needs to conduct its business	0.753				
Can be relied upon to give honest advice	0.736				
Competently handles all my requests	0.647				
Factor 2:- Integrity					
Conducts transactions fairly		0.743			
Is honest		0.737			
Shows high integrity		0.707			
Is consistent in what it does		0.690			
Keeps its word		0.599			
Factor 3:- Communication					
Communicate clearly			0.739		
Informs me immediately of new developments			0.732		
Communicates regularly			0.688		
Informs me immediately of any problems			0.627		
Factor 4:- Concern & Benevolence					
Act as i would				0.738	
Is responsive when contacted				0.662	
Treats its customers fairly				0.656	
Shows respect for the customers.				0.635	
Acts in the best interest of its customers				0.556	
Factor 5:- Shared Values					
Has the same values as me					0.784
Is receptive to my needs					0.734
My bank does whatever it takes to make me happy					0.692
Has the same concerns as me					0.679
Cronbach's alpha	0.832	0.779	0.78	0.701	0.710
Percentage Variance Explained	21.043	13.314	9.633	7.106	4.672

Source:- Primary data

Factor 2: Factor 2 consists of 5 statements having factor loadings between 0.743 to 0.599, which is good. The statements broadly cover the area of Integrity and consistency and are aligned to notions of honesty and fulfilment of the promise (Mayer et al., 1995). Integrity is about the extent to which the trustee will consistently ‘do the right thing’ (see also Butler, 1991)

Factor 3: It is self-evident that communication is necessary and essential for building relationships (Theron, Terblanche, & Boshoff, 2010); thus, Factor 3 is related to communication and consists of 4 statements having very good factor loading from 0.739 to 0.627. A potential contributor to levels of trustworthiness. Information from one party to another is an essential aspect of

human behavior and may be central to the effective functioning of society (Wetzel & Buckley, 1988).

Factor 4: In general, in the management literature, benevolence has been viewed as a critical factor in achieving trustworthiness (Fang, Palmatier, Scheer, & Li, 2008). In the study, it is determined that Benevolence is identified as the fourth factor with a factor loading of 0.738 to 0.556, which is good. Benevolence has three main dimensions, which include consideration and sensitivity, acting in protecting the interest of others and refraining from exploiting others. A trustee that can show concern or benevolence is demonstrating that it will not exploit the trustor's vulnerability and is focussed on the wellbeing of the other party.

Factor 5: Shared Values are found as the fifth factor used as a predictor of trustworthiness with a very good factor loading between 0.784 and 0.679. The organization must be able to achieve value congruence during the development of trust. This could be related to the alignment of an individual's beliefs with those of the organization, and the lack of congruence could lead to distrust.

Reliability of the Instrument: From the table-3, it is seen that the reliability value was estimated to be $\alpha = 0.832$ to 0.701. When we compare the reliability value of the scale used in the present study with the standard value alpha of 0.6 advocated by Cronbach's (1951) here all variables satisfy the condition. Hence the reliability and validity of the scale are satisfied.

The Level of Trust in Financial Services of Households

Since the dimensions of trust and trustworthiness were consistent with the finding of Ennew and Sekhon (2007) in order to determine the level of trust, The measures of trust or trustworthiness were constructed by averaging across the responses for a series of statements and then scaled such that the maximum possible score would be 100, and the minimum is zero. The interpretation of these figures, a score of 100 to 75 would mean that all respondents strongly agreed with every statement on trust. A score of 75 to 50 would indicate that on an average, households moderately agreed with the statements regarding trust, and a score of 50 would indicate that respondents neither agreed nor disagreed with the various statements. A score of 50 to 25 would indicate that an average, respondents moderately disagreed with the statements on trust, and a score of 25 to 0 would mean that all respondents strongly disagreed with every statement on trust.

Rating of households on trust based on Religious affiliation of households

Overall, consumer trust in banks is slightly below the figure of 75, suggesting that on average, respondents are moderately trusting banks. The Overall trust of households does not vary much and is all the more identical. Overall cognitive trust is significantly larger than affective trust - that is to say, households are more convinced about the reliability

Table 5
Rating (mean) by Religious affiliation of households

Items	Hindu (n = 146)	Muslim (n = 42)	Christian (n = 112)	Total (n = 300)
overall trust	74.38	74.16	74.14	74.26
cognitive trust	78.54	73.33	78.04	77.62
affective trust	73.39	75.24	71.92	73.10
Disposition to trust	72.26	73.69	73.44	72.90
overall trustworthiness	76.97	76.81	77.24	77.05
Expertise	77.07	72.19	75.07	75.64
integrity	74.14	77.33	77.93	76.00
communication	80.99	80.24	79.55	80.35
Shared values	79.38	77.74	78.13	78.68
concern	74.55	77.43	76.18	75.56

Source:- Primary data

of banks. Cognitive trust is slightly below the score of 75 for Muslim households compared to Hindu or Christian households suggesting that on average, respondents have moderately agreed with statements of trust. However, affective trust is higher for Muslim households and above the score of 75 while it is below 75 for both Hindu and Christian households.

Household's perceptions of the extent to which banks are trustworthy is significantly higher than the overall trust reported by households. However, the observed difference is relatively small. Overall, banks attract their highest ratings concerning communication and the weakest on concern & benevolence. Shared values and integrity display a high degree of variability relative to expertise and concern. It is notable that Muslim households moderately agreed with the statements of expertise. Moreover, after which there is only a low score of slightly below 75 given by Hindu households for a factor of integrity of banks. In other

cases, there is a score of above 75, which is good, and also the scores are almost identical between various religions for various factors.

Rating of households on trust based on Caste affiliation of households

Overall, the trust of different categories of households is almost identical around 74, which means the households moderately agreed with the statements of trust. However, ST households reported a score of above 75, which means they strongly agreed to the statement of trust. Even though ST households gave a score of above 76 for affective trust, other categories remained almost identical with the score of slightly below 75 which meant they moderately agreed with the statements. However, cognitive trust is more than the other affective trust, and almost all respondents strongly agreed with the statement of trust with a score of above 75.

Overall Trustworthiness of households is higher than that of overall

Table 6
Rating (mean) by caste affiliation of households

Items	Caste				Total (N = 300)
	SC (N = 34)	ST(N = 26)	OBC (N = 79)	General (N = 161)	
cognitive trust	77.06	78.21	79.24	76.85	77.62
affective trust	74.12	76.15	72.85	72.52	73.10
Disposition to trust	73.38	71.92	71.14	73.82	72.90
overall trust	74.65	75.17	73.97	74.17	74.26
Expertise	76.47	80.62	74.78	75.08	75.64
integrity	74.12	83.54	74.13	76.10	76.00
communication	83.38	73.65	82.97	79.50	80.35
Shared values	84.85	79.04	76.20	78.54	78.68
concern	76.94	76.46	78.33	73.76	75.56
overall trustworthiness	78.72	78.86	77.08	76.39	77.05

Source:- Primary data

trust even though they vary on different caste lines. The Trustworthiness of households are above 75 and does not vary much across caste lines and is all the more identical. With the highest rating provided by ST households. This suggests that households strongly agreed with statements of trustworthiness. The various drivers of trustworthiness like communication received very high rating from households; however, ST households gave a rating of below 75 when compared to other households which mean they moderately agreed on the fact. There are some cases of differences of opinion when we look into other individual items like concern, where general category households gave a score of 73 or OBC category gave a score of slightly lower than 75 for expertise. In most cases, there is an agreement between households on the statement of trust, and in most cases, all strongly agreed with the statement of trust.

Conclusion and Policy Implication

The purpose of this study was to assess the level of trust in financial services based on the religious affiliation of households and to identify the underlying dimensions of trust and trustworthiness of service providers among households. In the study, it was found that the overall level of trust among the households is slightly below the figure of 75, which suggested that, on average, respondents are moderately trusting banks. The Overall trust of households does not vary much and is all the more identical among the households. Household's perceptions on bank's trustworthiness is significantly higher than the overall trust reported by households.

The study also identified factors such as customer's disposition to trust, affective trust and cognitive trust as essential factors that highlight the dimensions of customer's trust in banks in India. Similarly,

customer orientation, honesty, competence, communication and common interests (Liu and Wu 2007; Chong et al. 2003; and Ennew and Sekhon 2007) were identified as the underlying dimensions of trustworthiness of a service provider. Again the dimensions of customers trust in a financial service

provider as identified in this study are quite similar to those of Ennew and Sekhon (2007) and Johnson and Grayson (2005). These findings suggest that banks can use above variables for building trustworthiness and improving their corporate image.

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CONCERNS REGARDING THE EFFECTIVENESS OF NEW EMERGING TEACHING METHODOLOGY IN THE PANDEMIC COVID 19 SCENARIO

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Abstract

Technology has influenced the functioning of almost all walks of life. However, the teaching-learning process has been less impacted by technology till the pre-pandemic period, but the outbreak of the Covid 19 pandemic has revolutionized even the teaching methodology. Within a short period, a huge change has been witnessed in the educational sectors. The level of interaction, inspirational aspects, and increases in efficiency are the keystone to be implemented in this field. Whatever technological advancement comes the motivation and guidance provided through teacher-student interactions can never be replaced. This study takes into consideration the various factors that might get affected by the implementation of new technology in the teaching methodology. It is concluded that there is no difference of opinion on the concerns regarding newly emerging teaching methodology except regarding traditional system in the case of male and females. The study finds out the level of influence of factors of concern among higher education teachers

Key words:- Covid 19, Emerging Teaching Methodology, Higher Education.

Online Teaching is electronically supported training that relies on the Internet for teacher's interaction and the distribution of study materials." This simple definition has infinite number of ways to teach outside of traditional classrooms and away from Institutions.

In the early outbreak of *the year* 2020, Covid 19 affected the *globe* in such a way that it *leads* to the massive transformation outright. 'CO' stands for corona, 'VI' for virus, and 'D' for disease. The virus is transmitted through direct contact with respiratory droplets of an infected person and touching surfaces contaminated with the virus later touching their face.

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The strike of pandemic restricted socialization in every sector. The academy all over the country has to switch to a new technique to enlighten the students, which lead to the rise of the prominent use of video telephony and online chat services through a cloud-based peer-to-peer software platform in educational institutions. The teachers were enforced to adopt a new skill set to teach with the new networked platform. Most of the online educational technology companies cherished in the business and stocks were sky-high.

The Indian traditional way of teaching has emerged from the ancient gurukala system to virtual classroom learning. The traditional classroom training has been transformed into a digital high end augmented reality experienced classroom.

Technology has been in almost every sector and now especially in the world of education. The evolution of the teaching method has used a variety of teaching approaches within the overall institutional framework. An abrupt change that has taken place in this field has its pros and cons. This study intends to find the new venture of teaching that has emerged recently due to the unforeseen situation. The relevance of the study to understand the concerns among higher education teachers about the emerging teaching methodology in the pandemic Covid 19 scenario.

2. OBJECTIVE OF THE STUDY

The main objective of this study is to understand the concerns in new teaching methodology in Covid 19 circumstances among higher education teachers.

3. METHODOLOGY

The study is based on both the primary and secondary data and was descriptive in nature. Primary data are collected from higher education teachers from various academies. The instrument used for the collection of data were a well-structured questionnaire. The data was collected from hundred samples selected based on the convenience sampling method.

The edited information was coded first and a data entry format developed for capturing the information using SPSS software. Along with the descriptive statistics, hypothesis developed were tested using inferential analysis using SPSS.

4. SCOPE OF THE STUDY

The scope of the study has been limited to the analysis of various elements that impacts the new methodology of teaching efficiency. The study mainly focuses on the higher education teachers in Kerala and to have an insight into concerns regarding the new technology applied to the teaching methodology.

5. LITERATURE REVIEW

The term teaching effectiveness is imprecise by a majority of the authors and scholars to explain the efforts of the teaching effectiveness based on characteristics required for effective teachers.

Marsh (1987) has uttered teaching effectiveness based on the “Student’s Evaluation of Educational Quality” scale. “SEEQ” scale is a scale that was designed to measure teaching effectiveness based on the evaluation of teachers by their

students and faculty members themselves in higher education. It is five points Likert scale with a choice ranging from strongly disagree to strongly agree. Since the test is based on the student's evaluation, no student records their responses in questionnaires. A higher score "SEEQ" predicts higher teaching effectiveness and vice-versa.

Money (1992) stated that the skill of planning and organizing resources, effectiveness, and efficiency in resource management, motivational skill, and communicational skill are requisites of efficient teachers. Further effective teachers are open-minded and resilient to accept criticism, suggestions, and negative feedback. The cordial relationship between teachers and students is another important requirement of teaching effectiveness.

Basow and Hativa (2000) conducted a study on teachers of higher education. They described the effectiveness of college teachers based on three main qualities viz. caring, helpful and knowledgeable. They included mental, social and emotional development of all students personally. So an effective teacher takes care of all round development of his students. They stated further that teaching effectiveness of a teacher depends on his /her core subject and allied subject's knowledge. Mastery over their subject motivates the student to gain knowledge from his /her resourcefulness. They also found that helpfulness is also a part of character of effective teachers. Effective teachers not only help their students in the class rather then also extend their helping hand outside the class.

Chayya (2001) has defined teaching effectiveness on the basis of characteristics of effective teaching. She stated that teaching effectiveness means achieving the academic goals efficiently and effectively i.e. achieving the goal in time with the use of optimum resources. In other words, effective teachers always try to takes all academic responsibilities seriously. They take personal responsibility for the classroom environment and students. Onset they set goals for the whole class based on levels of the students and do lesson planning accordingly. Efforts are made to make the teaching-learning process more interactive. An effective teacher also makes endeavors to solve the doubts and difficulties of students at a personal level. Effective communication is another prerequisite of effective teaching. An effective teacher also gives a variety of instructions along with audio-visual aids. However, the emphasis is given on the personal involvement of the teacher in the teaching and learning process.

Kulik (2001) gave preference to students rating over other methods of measurement of teaching effectiveness. Other methods include expert observation i.e. observation of the teaching style of teachers in the classroom by a subject expert. Rating by alumni and rating by the head of institutions is also used to measure teaching effectiveness. The study of Kulik rating by students overlap other methods as cited above. Measurement of teaching effectiveness by student's rating was proved as a better predictor based on the correlation between student's rating and their examination score. He also stated

about the criticism in students' ratings and recommended that removal of such criticism will improve teaching effectiveness.

6. DATA ANALYSIS AND INTERPRETATION

6.1. Gender and Study Variables

The data collected was subjected to analysis to understand the significant difference between gender and study variables based on the opinions of the higher education teachers. The following hypothesis is generated for the purpose.

Null Hypothesis H_0 : There is no significant difference between Male and Female as regards to their concern for effectiveness of the emerging teaching methodology in the pandemic Covid 19 scenario.

An Independent Sample t-test was carried out and details of the test results are provided in Table 1.

The p-values for all the factors of study except traditional classroom are greater than 0.05 indicating no significant

difference at 5% level and hence accepting the hypothesis. Hence there is no difference of opinion between male and female as regards to those factors of concern in emerging teaching methodology. But as regards to the opinion on traditional class room the p-value is less than 0.01, the null hypothesis is rejected indicating difference of opinion between male and female at 1% level of significance.

6.2. Age Group and Variables of Concern

The hypothesis is developed as follows to understand the significant difference of opinion among different age groups as regards to the variables of concern on emerging teaching methodology.

Null Hypothesis H_0 : There is no significant difference among people of different age groups in their concerns on effectiveness regarding different study variables relating to emerging teaching methodology in the pandemic Covid 19 scenario.

The data collected were subjected to One-way Anova to test the hypothesis.

Table 1
Independent Sample t-test for Gender

Variables	Mean		SD		t- value	p- value
	Male	Female	Male	Female		
Traditional classroom	3.77	4.00	.876	.658	1.369	0.008
Level of Interaction	3.34	3.26	.940	.891	.398	.524
Flexibility	2.58	2.74	.897	.891	.847	.893
Transparency and Reachability	3.03	3.08	.940	.969	.238	.798
Classroom stress	3.10	3.08	1.051	1.075	.082	.523
Time management	2.24	2.37	.843	.883	.715	.422
Mentoring	2.24	2.37	.843	.883	.715	.422
Extracurricular activities	3.19	3.13	1.022	.963	.301	.601
Effective classroom training	3.56	3.39	.760	.679	1.128	.353
The facility from the digital medium	3.26	3.16	.957	.789	.542	.084

The results of the hypothesis test using One Way ANOVA is given in Table 2

Since the p- values for all the study variables are greater than 0.05, the null hypothesis accepted and hence no difference in opinion among teachers of different age groups regarding the factors of concern with respected to the emerging teaching methodology.

6.3. Years of Experience and Variables of Concern

The relationship between teachers of different years of experience and variables of concern regarding the emerging teaching methodology was studied by formulating the following hypothesis.

Null Hypothesis H_0 : There is no significant difference among teachers of

different years of experience in their opinions on factors of concern regarding emerging teaching methodology in the pandemic Covid 19 scenario.

The results of hypothesis test using One Way ANOVA is given in Table 3

The p-value for the opinion of teachers of different years of experiences regarding all factors of concern are greater than 0.05 and the null hypothesis is accepted as regards to all the above factors indicating no difference of opinion among them.

6.4. Mean Rank of the Factors of Concern

For understanding the mean rank of the factors of concern the following hypothesis is developed.

Table 2
Age Groups and Variables of Concern

Variables	Age Group in years					F value	p- value
	<30	31-35	36-40	41-45	>46		
Traditional classroom	4.07	4.00	3.83	3.69	3.41	2.285	0.066
Level of Interaction	3.30	3.18	3.42	3.54	3.29	.378	0.824
Flexibility	2.73	2.64	2.75	2.54	2.47	.313	0.869
Transparency and Reachability	2.93	2.75	3.17	3.46	3.35	1.988	0.103
Classroom Stress	3.13	2.89	3.42	3.15	3.06	.550	0.699
Time Management	2.43	2.21	2.42	2.62	1.82	2.157	.080
Mentoring	2.43	2.21	2.42	2.62	1.82	2.157	.080
Extracurricular Activities	3.03	3.07	3.08	3.38	3.47	.764	.551
Effective Classroom Training	3.43	3.57	3.42	3.62	3.47	.248	.910
Facility from digital medium	3.00	3.21	3.42	3.54	3.24	1.013	.405

Null Hypothesis H_0 : There is no difference in mean rank as regards to the factors of concern.

The hypothesis is tested using Friedman Test and the results are given in Table 4

Since the p-value is less than 0.01 the null hypothesis is rejected at 1 per cent level of significance indicating difference in mean rank among the factors of concern. The most concerning factor is that whether the new methodology is as good as the traditional system. Among other factors of concern the effectiveness of class room training stood first with a mean rank of 6.74 followed by level of interaction (mean rank 6.28), extracurricular activities (mean rank 5.88), facility from digital medium (mean

rank 5.82), class room stress (mean rank 5.72), transparency and reachability (mean rank 5.5) and flexibility (mean rank 4.46). Factors Team management and time management are of least concern among study variables with a mean rank

7. FINDINGS AND SUGGESTIONS

7.1. Findings

The viewpoint of male and female is same on the factors concerning modern classroom training. Some of male and female teachers prefer the traditional classroom training than modern teaching methodology. Majority of teachers have great concern on the effectiveness of new method of teaching on basis of different age group. Teachers of various years of

Table 3
Years of Experience and Variables of Concern

Variables	Year of Experience					F value	p-value
	<5	6-10	11-15	16-20	>20		
Traditional classroom	3.83	3.91	3.82	3.86	3.89	.051	.995
Level of Interaction	3.26	3.13	3.59	3.29	3.39	.665	.618
Flexibility	2.63	2.78	2.59	3.29	2.28	1.880	.120
Transparency and Reachability	2.94	3.13	2.94	3.29	3.17	.377	.825
Classroom Stress	3.17	3.17	2.82	3.14	3.06	.359	.837
Time Management	2.26	2.52	2.29	2.43	2.00	.996	.414
Mentoring	2.26	2.52	2.29	2.43	2.00	.996	.414
Extracurricular Activities	3.26	3.04	3.24	3.43	3.00	.417	.796
Effective Classroom Training	3.46	3.48	3.65	3.86	3.33	.852	.496
Facility from digital medium	3.14	3.22	3.24	2.86	3.50	.789	.535

Table 4
Mean Ranks of the Factors of Concern

Variables	Mean Rank	Chi Square Value	p-value
Traditional classroom	7.65	205.718	<0.001
Level of Interaction	6.28		
Flexibility	4.46		
Transparency and Reachability	5.50		
Classroom Stress	5.72		
Time Management	3.49		
Mentoring	3.49		
Extracurricular Activities	5.88		
Effective Classroom Training	6.74		
Facility from digital medium	5.82		

experience have no difference of opinion on factors of concern on the new methodology of teaching. The level of interaction is of great concern by the teachers in providing extracurricular activities via digital medium.

7.2. Suggestions

The study suggests that the level of interaction and effective curriculum activities is a matter of great concern and hence it should be enhanced for the effectiveness of online classroom training, for which a new software should be developed exclusively for classroom training rather than using video call applications, where each participant’s interactions are recorded individually. In

that case, analysis of interaction can be performed in the back end by the software and provide a real-time view of the level of interaction report to the teachers individually. This helps the teachers to track the student’s interactions and level of understanding and helps to store the data for future performance analysis.

The traditional curriculum activities should be supported with digitally backed activities even after the Covid 19 scenario. Instead of traditional paper assignments, teachers should switch to webinars, online seminars and provide activities that help the students to explore the opportunity in the professional field by using digital techniques with the subject.

8. CONCLUSIONS

Even though the Indian education system has faced tremendous changes over periods the Covid 19 pandemic situation has paved a new pathway in the education sectors. Based on the analysis and key findings of this study it is inferred that many of the factors under study has relevance in new methodology potency. According to the study, it is clear that new ventures in teaching methodology have their pros and cons while considering various factors. The current circumstances urge the need for improvised

technological assistance in the field of the teaching-learning process since technological advancement always has a greater impact in the efficiency and effectiveness of modern world activities. But it is a must to get the teachers out of the concerns in emerging teaching methodology for enhancing effectiveness in teaching and training students. The present study opens up scope for more research studies on improving technological aspects and for equipping teachers to cope up with those changes.

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ROLE OF CUSTOMER RELATIONSHIP MANAGEMENT IN THE HOTEL INDUSTRY

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Abstract

Customer Relationship Management strategies have given a replacement outlook to all or any of the suppliers and customers to remain the business a worthy relationship by fulfilling mutual needs of buying and selling. Customer Relationship Management could also be a group of practices that organizations adopt to sustain and increase their customer base. CRM principles deliver a strategic and planned attention for identifying and understanding sources useful for the customer and thus the firm. This paper intended to explore the theoretical basis of customer relationship management.

Key words:- : Customer Relationship Management, Customer Response, Customer Loyalty, Hospitality Industry, Hotel CRM

“Customer is the most important person for a business. He is not an interruption to our work but the purpose of it. He is not an outsider; he is a part of it. We are not doing him a favour; he is doing us a favour, by giving us an

opportunity to serve him “ - (Mahatma Gandhi).

CRM includes all aspects of interaction an organization has with its customer, whether it's , pre-sales, sales or post-sales. The organizations are using Customer Relationship Management

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which helps to boost sales and revenues by focusing on customer retention and customer loyalty (BangaGagandeep , Kumar Babita , GoyalHarshal,2013). Every business unit emphasizes on creating a relationship with customers to encourage its stability in today's competitive market. Customer's expectations aren't only limited to best products and services, they also need a face-to-face business during which they have to receive exactly what they demand.

Customer Relationship Management is an upright concept or strategy to solidify relations with customers and at the same time reducing cost and enhancing productivity and profitability in business. It is worth mentioning that CRM is mainly based on the belief that establishing a sustainable relationship with customers is the cornerstone for obtaining loyal customers who are much more profitable than non -loyal ones (Dowling, 2002).

CRM system provides a well-defined platform for all business units to interact with their clients and fulfill all their needs and demands very effectively and to make long-term relationship. A CRM system isn't only used to affect the prevailing customers but is additionally useful in acquiring new customers. The tactic first starts with identifying a customer and maintaining all the corresponding details into the CRM system which is additionally called an 'Opportunity of Business'. The Sales and Field representatives then try getting business out of these customers by sophisticatedly following up with them and converting them into a winning deal. CRM is an integral area of a company's strategy, and its input should

be actively considered in decisions regarding the event of organizational capabilities, the management useful creation, and thus the allocation of resources. Increased revenues, profits, and shareholder value are the results of selling activities directed toward developing, maintaining, and enhancing successful company–customer relationships.

Customer retention refers to the activities and actions of companies and organizations to reduce the number of customer defections and making them loyal. The goal of customer retention programs to help companies retain as many customers as possible, often through customer loyalty and brand loyalty initiatives. CRM helps the customer retention practices of the organization which thought to improve profitability, principally by reducing costs incurred in acquiring new customers; the prime objective being “zero defections of profitable customers” (Reichheld, and Etal, 1996).

Objectives

1. To review the benefits of customer relationship management in hotel industry.
2. To understand the need for CRM in hotel industry.
3. To explore how CRM helps to retain customers.

Hospitality Industry

Hospitality is all about offering warmth to someone who looks for help at a unfriendly place. It refers to the tactic of receiving and entertaining a guest with goodwill. Hospitality within the

commercial context refers to the activity of hotels, restaurants, catering, inn, resorts or clubs who make a vocation of treating tourists. The hospitality industry could even be a 3.5 trillion dollar service sector within the worldwide economy. It's an umbrella term for a broad quite service industries including, not limited to, hotels, food service, casinos, and tourism. The hospitality industry is extremely diverse and global. The industry is cyclical; dictated by the fluctuations that occur with an economy once a year . Today hospitality sector is one among the fastest growing sectors in India. The hotel industry is one among the fastest growing sectors within the earth , with small hotels expected to grow the fastest. However, the industry is not without its challenges. Rise of hotel aggregators that threaten to wish away their customers, changing guest expectations because of the rising millennial population, and irregular cash flows because of unsold inventory during off-season are emerging as key areas of risk.

Hotel CRM

Customer Relationship Management (CRM) is an enterprise-wide strategy for presenting a single face to the customer. A long-term relationship with customer gives the service marketers a competitive edge. A company's revenue, profit and market share come ultimately from the customers. Ideally, a hotel CRM may be a single source of truth for guest information. CRM or customer relationship management system is a software solution which helps to manage sales, marketing and also sales Team. Hotel CRM helps Hotel management to match

the expectations of the clients. Apart from managing the sales, hotel CRM also helps in managing Customer Feedbacks, Loyalty programs and in particular , a 360-degree view of Customer information and interactions. Hotel CRM also includes a telephonic system with proper IVR and Call distribution mechanism (ACD). A neat ACD, helps guests reach to the proper person within the shortest minimum time.

Benefits of CRM

There are many reasons why organisations invest in a new CRM strategy. High customer churn, inefficient processes and unreliable reporting are just a few examples. Professionally implemented CRM systems deliver many benefits for sales, marketing, service and other teams.

1. Connect with Customers

The main purpose of a CRM system is to support a business in engaging its customers. CRM systems helps organisations to understand their customers. Increasing sales is another example of how CRM helps businesses connect with customers. This includes:

- a. Identifying the most valuable accounts and delivering appropriate service levels
- b. Using relationship and order detail to discover new upsell and cross sell opportunities
- c. Opportunity management to help sales individuals connect with the right prospects at the right time
- d. Integrated campaigns that nurture customers and alert team when individuals respond

- e. Increased lead generation using segmented lists and personalised messages that resonate

2. Automate data entry.

With a CRM, your team will never have to spend time logging emails, calls, meetings, and interactions — all of this information will be automatically collected and aggregated within the system. Additionally, a CRM allows reps to update all deals by the stage they're in — then, the system will automatically handle the rest (e.g. weighting, summation, visualization), keeping this process as efficient as possible for everyone involved.

3. CRM for Enhanced Communication

CRM makes it possible for any employee to provide the same high level of service, by having access to the same customer data. After all, even if your customers have a single, main point of contact, there's a good chance that at some point that contact may not be available, and the client will be forced to have to work with someone new. When that happens, many customers face the unhappy prospect of having to 'start fresh' with someone who doesn't understand their own unique preferences and issues. CRM does away with this concern, by making detailed customer information communicable to whomever might need it.

4. Enhances Sales Productivity

Repetitive sales tasks like sending bulk e-mails and generating reports are often automated, because of CRM. The CRM mobile access allows sales teams within the hotel industry to possess ready access

to their customers' preferences which helps them to form more lucrative offers for his or her clients.

5. Winning Strategies

CRM employs strategies like cross-selling that involves offering customers services that augment their original purchase and develop their interest in other products of the company . Offering upgrades or extra services, for instance , sightseeing packages come under the category of upselling. CRM strategies also include benefits sort of a two-day all-inclusive package at a reduced rate for its loyal customers. All these schemes increase the company's sales while making the customers' purchase experience more meaningful.

Objectives of CRM

Customer Relationship Management can be loosely defined as the process of building and maintaining good relationships with your customers, there are many improvements that a well-designed CRM plan can help you accomplish. These can include learning more about staffing needs so that you can refine your search for talent, tailoring your production efforts and inventory to better meet the needs of your targeted market or improving your online reputation among other things. The most prominent objectives of using the methods of Customer Relationship Management are as follows

1. Improve Customer Satisfaction

CRM helps in customer satisfaction because the satisfied customers remain loyal to the business and spread good word-of-mouth. this will be

accomplished by fostering customer engagement via social networking sites, surveys, interactive blogs, and various mobile platforms.

2. Having profitable relationship

Customers vary in attitude and behavior. In a competitive market place, customers are exposed to hundreds of selling messages. Customers have limited ability to process information. A number of constraints influences their decision making. Every sale is the result of complex interaction with customers. So, building strong causal relationship with customers is very important. The CRM strategy maintains an ideal relationship without giving an impression to customers that their privacy is being invaded.

3. Enhance Your Sales And Support Teams:

One of the most important CRM objectives to consider is enhancing your team. By better learning the needs of the people you service, you can become increasingly adept in identifying the right talent to provide these services. Talent management software, HR management software and other cloud-based tools can help you increase the value of your trained employees. Much like your current customers, your talent is among your top assets. Whether CRM helps you replace undesirable additions to your team or gives you a framework for increasing the customer service skills of existing employees, it is certain to improve the benefits that hired workers are providing.

4. Using cross selling opportunities without annoying customers

Customers can be groomed for purchasing not one product of the company but for a series of products from the same organization. Credit facility may be provided to customers to buy other service products of the same service provider.

Need for CRM in Hotel Industry

Hotels need for an accurate CRM is as important as CRM's need in any customer-driven industry. All successful businesses within the planet today thrive on customer relations rather than the quality of their services alone. it's crucial to identify , create, and maintain an obsessive customer base in today's competitive market. Customer Relationship Management (CRM) not only builds a comprehensive database containing all information concerning the purchasers , but it also facilitates the company's future growth by forging strong ties with the purchasers . These customers become advocate for your business and successively cause more referrals. Well build CRM processes can support the sales, marketing, and repair departments within an industry and maximize its profit margins. It functions by associating with selected customers and providing them with an unparalleled experience both in terms of the quality also because the way during which their needs are addressed. This customer-centric approach is of pioneer importance within the hotel industry because it attempts to retain customers and build an extended term partnership with them.

1. Better service to customers:

CRM provides more avenues for customers to communicate and explain their needs to the organization through numerous contact points. Customers get increased satisfaction and a feeling of being special and important because of the increased personalization of services and customization of goods offered to them.

2. Customization of market offerings:

Companies can customize a product or service depending on the data available with the firm. The firm can facilitate customer-company interaction through the company contact centre and web site. Such interactions help develop customized products.

3. Increase in customer equity:

CRM increases customer equity. Firms focus the marketing efforts more on the most valuable customers (MVCs). The main aim of CRM is to produce high customer equity. Customer equity is the sum of lifetime values of all customers. More focus on MVCs will enable a firm to increase the customer equity.

Customer Retention, And Why Is It So Important?

The basic objective of a CRM solution is to enhance customer retention. It refers to the ability of the company to engage its customers to continue buying their products and services in the long run. Customer retention is that the capacity a corporation has got to keep customers engaged with its product or service. It also acts as a business strategy in customer relationship management that seeks to

extend customer loyalty and reduce customer churn. Customer retention techniques include creating a loyalty or VIP program, personalizing the customer experience, re-engaging at-risk customers and placing a high value on customer service. Customer retention is important because it provides organizations insight into their performance. And, like many other things, it's rooted in data. These are the ways by which CRM and customer retention goes hand in hand-

1. Obtain centralized data

From sales, customer service to management all use only one centralized CRM Solution. Employees can access information from anywhere. All the departments can work together effectively. It automates the process of the company and also increases the customer loyalty and revenue.

2. Know your target customers

Not all products are meant for all consumers. Every specific product has a specific group of customers known as the target customers. Target marketing would revolve around positioning few techniques for a particular group of target market to attract the customers. Thus CRM helps to concentrate on the target customers which in turn increases the profit and revenue of the business.

3. Ideal marketing efforts

Marketing is one of the most important aspect in a business at the present. It is very essential to understand the customer behaviour as well as needs in order to promote your product at the right time and right place. Thus, CRM

system will help you analyze and section your customers in order to give more profitable customer class.

4. Never miss a follow-up

To effectively manage consecutive follow-ups, in response to all enquiries/leads, you are required to keep a sharp eye on each lead conversation. Using online task management software you may instantly create task/follow ups, assign them , set reminders for the due dates, and drive to completion. No need to schedule a meeting just to follow up on action items from a previous meeting.

Final Words

The purpose of this study is to explore the benefits and needs of CRM

in hotel industry. CRM helps to retain customers and helps to improve communication between hotels and customers. Customer support is incredibly important and everyone understands it. CRM aids in merging relevant business information from various departments into one easy-to-access database. Customer retention is important because it provides organizations insight into their performance. It is evident that customer relationship management plays a vital role in retaining customers in the hotel industry. According to Adobe CEO Shantanu Narayen, "If you want to survive the 21st-century business battlefield, you need to emphasize keeping your current customers and the heart of accomplishing customer retention is CRM software" (Zachary Totah).

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AN EMPIRICAL STUDY ON CONSUMER BUYING BEHAVIOR FOR THE BRANDED PRODUCTS IN BANGLADESH

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Abstract

Consumer buying behavior is deliberated as a part of the marketing and is studied with the main objective, to discover the way how the organizations, groups and individuals, choose, purchase, utilize and dispose of the goods and how the factors like branding influence their purchase decisions. Mobile phone as a useable product has become an integral part of human life around the globe including Bangladesh. In exploring the consumer's buying behavior as regard to a mobile phone, this study has given particular attention to the influence of product brand on customer buying behavior. The study area is confined to the city area of Dhaka in Bangladesh. The objective of this study is to explore the relationship between brand images of mobile phone on consumer purchasing behavior and impact of branded mobile phone on customer loyalty and trust. Through quantitative descriptive approach, pre-tested structured questionnaires were deployed among 424 representative samples to collect information in four different areas at Dhaka City, Bangladesh. Descriptive and inferential statistics with appropriate test statistics were used to see the relationship of branded mobile with respondent's background characteristic.

Key words:- brand, consumer, behavior, mobile phone, buying

*S*rowth in the mobile phones and technologies has resulted in new innovative and novel features resulting from the progressive transformation in consumer's needs and preferences. In the middle of these developments, mobile phone devices have

had one of the fastest household adoption rates in the world's modern history. Consumers have the opportunities to get and choose any product across diverse brand image to satisfy the personal needs for articulating their uniqueness and to make their own style. Meaning of

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product concept includes much more than tangibles like cars, computers or smart phones. Now a days, mobile phone is appearing in the hands of average users for the first time and are soon becoming the norms and portable to carry anywhere[1]. Mobile phone as a useable product has become an integral part of human life around the globe including Bangladesh. The country like Bangladesh is a developing country where GDP is still not up to the level but increasing through recent past. Many people, particularly affluent segments are carrying latest branded mobile phone. This type of choice shows a positive spending habits and purchasing power among consumers of the country which may be due to brand image of the specific products irrespective of its manufacturing origin. Services, events, people, places, institutions, ideas, and their combinations are also included in the product concept [2].

Consumer perception is very important to business since it can influence customer behavior which ultimately affects business profits and its retention. The consumer perception is important as it refers to how consumers as well as potential consumers are viewing their products and services. Therefore, consumer perceptions can determine the success or failure of any business. The choices of branded product are mostly noticed among particular segments of the society, especially urban affluent society. Consumer buying behavior is deliberated as a part of the marketing and is studied with the main objective, to discover the way how the organizations, groups and individuals, choose, purchase, utilize and

dispose of the goods and how the factors such as their personal experience, price, taste and branding influence their purchase decisions [3]. However, dramatic changes are observed on purchase behavior of the consumers where they sometimes are evading the price, previous experiences, once they start considering the branded products irrespective of wherever those are manufactured. Ambler in 1997[4] showed that purchasing behavior of the consumers can be regarded as a function of the relationship between the brand and the consumers. Another study conducted by Morgan and Hunt in 1994 [5] suggested that trust of the consumer towards the products is the major factor and it depends on the relationship of the customers and the brand choice.

Variety of empirical studies documented elsewhere stated that customer satisfaction plays a really necessary role in developing purchase behavior. Study revealed that the effect of customer satisfaction on actual behavior is contingent on levels of customers input. The results of the study empirically demonstrate that customer's participation plays an important role in understanding how satisfaction influences actual customer's purchasing behavior[6]. Satisfaction will increase loyalty once brand loyalty is measured in a variety of sequential purchases of constant brand [7].Several researchers found a positive relationship between customers satisfaction and brand loyalty [8].The choices of customers are determined by brand credibility which is an important factor, when pre-purchase information is limited [9]. Renée Richardson Gosline, Jeffrey Lee, and Glen Urban, in 2017 [10]

clarified that forming consumers way of life moveable progressively turns into a pervasive power. Variety of empirical studies shows that customer satisfaction plays a really necessary role in developing purchase behavior. Therefore, the type of mentality working in the mind when consumer is buying mobile phone is important. Today mobile handsets have become very common and one of the essential means for every one of us in our day to day life. The challenge amongst the marketer, is to understand the buying behavior of the consumers which influences their purchase decision.

A brand has a value and it depends on the quality of its products in the market and the satisfaction or content of the customer in its products and services. This provides the trust of the customers in the brand. If customers trust a brand quality it makes a positive connection to the brand and customers will have a reason to become a loyal to the brand. Loyalty and trust of the customers is very important for a company because it reduces the chance of attack from competitors [11]. Brands play vital role in the decision-making processes of the customer [12]. How brand names influence the customer purchase decision? Why customers purchase a particular brand also implies how customers decide what to buy. Customers follow the sequence of steps in decision process to purchase a specific product. When customers purchase particular brand frequently, he or she uses his or her past experience about that brand of the product, performance, quality and aesthetic appeal [13]. In exploring the consumer's buying behavior on a branded mobile phone, this

study has given particular attention on product brand choice on customer buying behavior in the city areas of Bangladesh. The objective of this study is to explore the relationship between brand images of mobile phone on consumer purchasing behavior and impact of branded mobile phone on customer loyalty and trust.

II. METHODOLOGY

The study was a cross-sectional descriptive type using a quantitative approach that described how the independent variable (brand image) influence the purchase behavior of respondents and given the outcome as brand impact. The study covered the targeted sample population who are living in both South and North City corporation areas of Dhaka, Bangladesh. The samples were collected from Shopping Mall, Educational Institutes, Bank/Financial Institutes and NGOs. Through convenience sampling procedure, a total of 424 representative samples were targeted to collect information from all of the study location in both city areas of Dhaka. Until fulfilling the minimum required number of sampled respondents, the researcher tried to continue the data collection process by deploying the pre-tested structured interview schedule through face-to-face interview. For maintaining the data reliability and consistent responses, the researcher was always responsible for the quality of the information and consent was opted from the respondents beforehand. The information was edited and coded first and then captured in the computer using SPSS software. Along with the descriptive statistics through tables and charts,

variables were also analyzed through inferential statistics technique with appropriate test statistics, particularly Chi-square test to see the relationship of branded mobile with respondent's background characteristic.

III. RESULTS AND DISCUSSION

The data were collected from a total of 424 sample from the respective areas where a higher proportion of respondents (37.3%) were interviewed from educational institutes as many respondents in the educational institutes were willing to participate during their free time between the classes, followed by 32.8% from shopping mall areas when respondents were instantly available for interview. The sample respondents constitute an equal proportion of about 15.0% from bank/financial institute and from non-government organization where the respondents were a bit busy to spare the time during their office hours and hence the response rate were comparatively lower (TABLE I).

The following table (TABLE II) shows background characteristics of the study respondents where proportion of male respondents was higher than the female respondents (63% vs. 37%). Age of the respondents varied according to different age categories. Young adult

(20-24 years) respondents' proportion was more (38.0%) pronounced, which is followed by youth (< 25 years) and middle-aged adult (35-44 years) respondents who accounted for 31.1% and 22.4% respectively. A lower proportion of respondents (8.5%) were from 45 and above years old. The mean age of the respondents was 30.62 with the SD ± 8.57. In terms of respondents' educational qualifications, majority of respondents (78.0%) holds at least a Bachelor's degree and more than one-fifth (22.0%) holds either SSC/HSC or equivalent educational qualifications.

In same table (TABLE II) it is also shown that the respondent's occupation status irrespective of the study location. A higher proportion of respondents (44.3%) reported that they were working in private organizations while the second highest proportion of respondents (35.4%) were students at the time of interview. Occupation as professional category constituted only about 10.0%, followed by others category 4.2% and 4.0% respondents doing their own business. Few respondents (2.4%) were working in the Government sector. The responses of respondents showed almost a similar trend as in the case of other studies documented elsewhere [14].

**TABLE I
RESPONDENT ACCORDING TO SAMPLING AREA UNDER DHAKA CITY CORPORATIONS.**

	North City Corporation n=170)	South City Corporation (n=254)	Total (n=424)
Shopping Mall	44.7%	24.8%	32.8%
Education Institutes	18.2%	50.0%	37.3%
Bank/Financial Institutes and NGOs	18.8%	12.6%	15.1%
Total	100.0%	100.0%	100.0%

TABLE II
RESPONDENT'S BACKGROUND CHARACTERISTICS IN THE
SAMPLE AREAS.

	Number	Percentage
Respondent's Gender		
Male	268	63.2%
Female	156	36.8%
Respondent's Age		
Youth (< 25 years)	132	31.1%
Young Adult (25-34 years)	161	38.0%
Middle aged Adult (35-44 years)	95	22.4%
Older Adult (45 and above years)	36	8.5%
<i>Mean (\pmSD)</i>	<i>30.62 (\pm 8.57)</i>	
Respondent's Education		
SSC/HSC or Equivalent	92	21.7%
Graduate and Above	332	78.3%
Respondent's Occupation		
Govt. Service	10	2.4%
Private Service	188	44.3%
Own Business	17	4.0%
Professional	41	9.7%
Student	150	35.4%
Others	18	4.3%
Total	424	100.0%

TABLE III shows the type of mobile device currently used by respondents according to places of study conducted. In multiple responses, a highest majority of respondents (94.2%) currently are using smart mobile phones while very few responses were still using non-smart mobile phone (5.8%). The proportion of responses hold non-smart mobile phones was a bit higher among users in non-government organization (9.1%) and in bank/financial institute (8.8%) compared to the users in shopping mall (5.1%) and in educational institute (3.8%). The results indicated that a highest proportion of respondents currently use smart phones irrespective of their gender segregation. It was seen established in another research that even female respondents would like to use smart phones by ignoring the other product characteristics [15].

TABLE IV shows the respondents ever used branded mobile phone by places of study. The results indicated that more than one-quarters (27.0%) of respondents ever used Nokia brand mobile phone; followed by Samsung brand (24.8%) and Symphony brand (22.1%) and those brands were more pronounced compared to any other branded mobile phone. The proportion of responses on ever used branded mobile phone was not much varied among the study places except the Samsung brand mobile phone (Table 3). The results of the study uncovered that brand name has a confident influence on consumer decision making in mobile phone choice as they understood branded mobile guarantee better quality. This result is confirming the study findings conducted in UK where it is

TABLE III
TYPE OF DEVICE CURRENTLY USING BY STUDY PLACES

	Shopping Mall	Educational Institute	Bank/Institute	NGO	Total Responses
Non-Smart Phone	5.1%	3.8%	8.8%	9.1%	5.8%
Smart Phone	94.9%	96.2%	91.2%	90.9%	94.2%
Base	138	157	68	66	429

Multiple Responses

TABLE IV
NAME OF THE EVER-USED BRANDED MOBILE PHONE BY STUDY PLACES

	Shopping Mall	Educational Institute	Bank	NGO	Total Responses
I Phone	0.8%	3.9%	10.9%	3.1%	3.9
Nokia	23.6%	29.4%	18.8%	35.9%	27.0
Samsung	20.5%	29.4%	26.6%	20.3%	24.8
Symphony	32.3%	16.3%	10.9%	26.6%	22.1
Huawei	5.5%	3.3%	12.5%	3.1%	5.4
Oppo	4.7%	3.3%	10.9%	4.7%	5.1
Walton	11.8%	3.3%	4.7%	4.7%	6.4
Others ¹	0.8%	11.1%	4.7%	1.6%	5.4
Base	127	153	64	64	408

Multiple Responses ¹=Vivo, Sony, LG, HTCA, etc.

demonstrated that brand name has a critical positive association with consumer purchasing conduct [16].

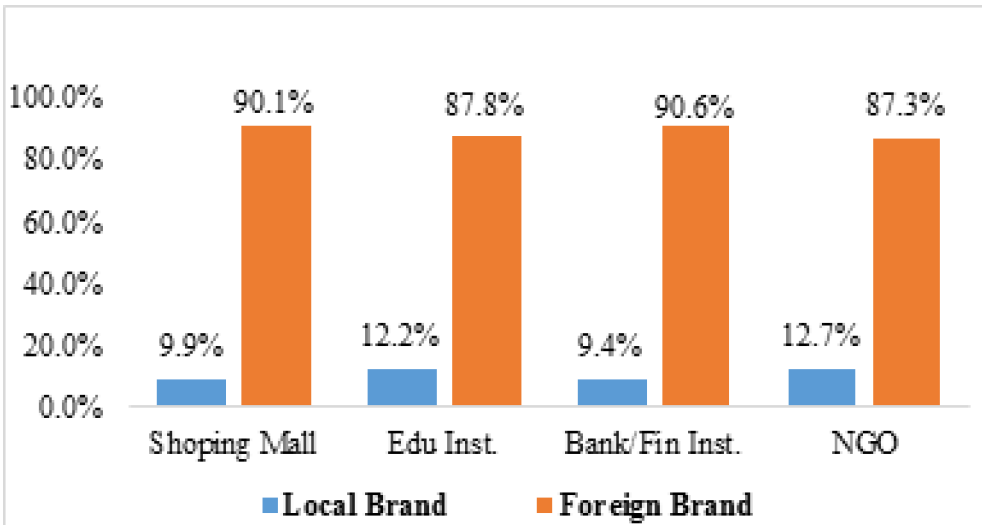
When asking to the respondents in different study places about the brand preference for mobile phone, a highest majority of respondents (avg. 89.2%) in all study places said their preferred mobile phone was foreign brand and reveals that even preferred foreign brand were not varied according to study places (FIGURE I).This is an expected result which approve the fact that highest majority of respondents has chosen to buy the smart phones particularly branded mobile phone.

In TABLE V, different statements related to social, economic and marketing dimension were included to see how

different factors are affecting mobile phone purchasing behavior among respondents across the study places. These all statements were deemed appropriately considering in Likert Scale 5 points (Strongly Disagree, Disagree, Neutral, Agree, and Strongly Agree). The results of calculated Mean and Standard Deviation (SD) of those scores will depict the following. A low SD indicates that the score values tend to be close to the mean while a high SD indicates that the score values were apart.

As regards to social factors, the results revealed that though culture mostly prohibits to buy certain mobile brand (mean=4.04, SD±0.94) the social class of respondents is also a relevant factor influencing to buy a phone (mean=3.92,

FIGURE I
PREFERRED MOBILE PHONE BRAND (n=424)



SD±1.06). On the other hand, respondent’s self-esteem (mean=3.95, SD±1.11), respondent’s age (mean=3.95, SD±1.11), and respondent’s family/friends(mean=3.90, SD±1.05) were usually inflecting respondent’s behavior to purchase a mobile phone.

As regards to economic factors, respondent’s lifestyle and personality factors (mean=2.60 & 2.03, SD±0.99 & 0.92) as well as personal income (mean=1.99, SD±0.86) pronouncedly determine to buy a mobile phone.

In considering the market factors, social standing (mean=2.16, SD±0.77) was the strong determining factor to buy a mobile phone, followed by where phone is easy to get and that is easy to use (mean=2.00, SD±0.66) was also the strong determining factor to buy a mobile phone (TABLE V).

The FIGURE II shows that advertisement in pronounced media had

strongly influenced respondents to purchase a mobile phone. The results indicated that about 80.1% respondents recognized that advertisement helped them to buy a mobile phone and the result is very common in other studies covering the same issue [17].

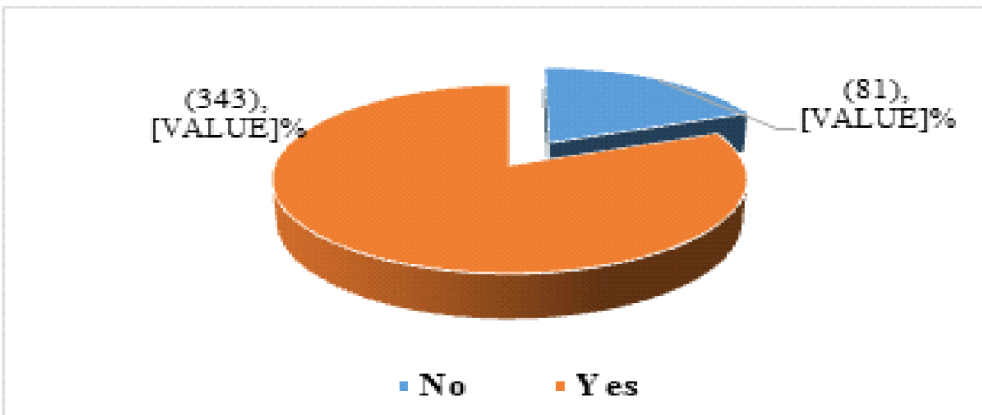
The respondent’s selection of brand mobile phone mainly depends on their own choice (60.4%), followed by recommendation from their family member (24.8%) and friends (13.0%). Other references were not that much influenced in selection of buying brand mobile phone (FIGURE III).

The following section includes the results of Bi-variate statistical analysis where the dependent variable is brand trust and respondent’s gender, age and educational attainments and occupation are independent variables. The brand trust is considered in response of faith of respondents’ choice towards local versed

TABLE V
FACTOR AFFECTING RESPONDENTS PURCHASING BEHAVIOR
ON MOBILE PHONE.

Social Factors:	n	Mean	SD
Self-esteem affects buying decision on mobile phone	424	3.95	1.11
Buy a mobile on thinking towards it	424	3.77	1.01
Culture prohibits from buying certain mobile brand	424	4.04	0.94
Usually look to peers advice when buying a phone	424	3.86	1.03
Buy a phone which is of social class.	424	3.92	1.06
Family/friends usually like the types of phone to purchase	424	3.90	1.05
Buy a mobile phone which is the role models use	424	3.68	1.27
Age influences the type of mobile phone to purchase	424	3.95	1.11
Gender affects in buying behavior of mobile phone	424	3.77	1.01
Economic Factors:			
Family income affects buying decision on mobile brand/product.	424	1.54	0.72
Personal income determines the mobile phone to buy.	424	1.99	0.86
Personality affects the purchase of mobile phone.	424	2.03	0.92
Lifestyle affects the purchase of mobile phone.	424	2.60	0.99
Market Factors:			
Always consider the price of mobile phone before buy.	424	1.37	0.58
Promotion and advertisement of mobile phone affect buying decisions.	424	1.64	0.65
Only buy mobile phone which consider good/ high quality.	424	1.67	0.66
Only buy a phone which is of own social standing.	424	2.16	0.72
Only buy mobile phone with a good camera/ display that is like.	424	1.57	0.66
Buy mobile phone which is easy to get and easy to use.	424	2.00	0.66
Only buy mobile phone which have a branded name	19.6	1.37	0.58

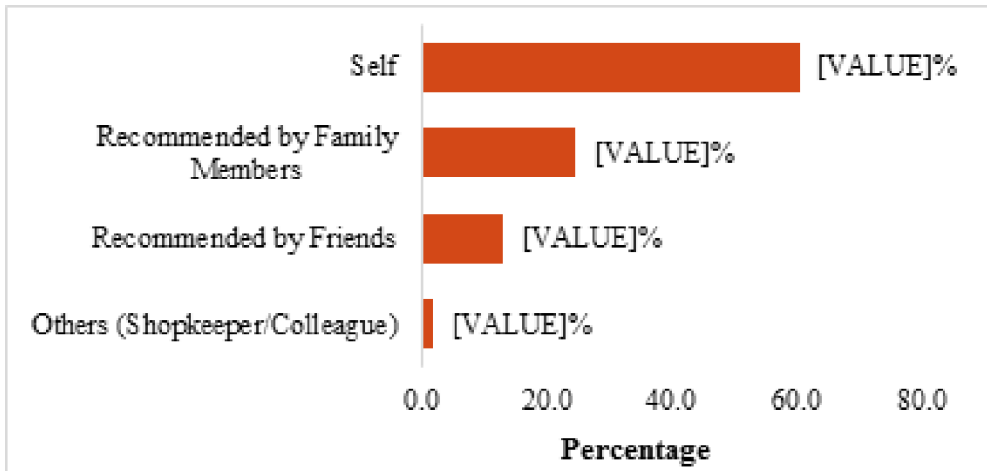
FIGURE II
ADVERTISEMENT HELP TO PURCHASE A MOBILE PHONE



foreign brand of mobile phone. The analysis done here is to see the independent relationship between the variables using chi-square test (TABLE VI).

The results indicated that irrespective of gender, the foreign branded mobile phone was always trusted to respondents and the difference between male and

FIGURE III
SELECTION OF BRANDED MOBILE PHONE (n=424)



female for this brand trust was not statistically significant ($p=0.152$). In case of respondent’s age, the foreign branded mobile phone was more trusted by them but it was differently pronounced among adult respondents (92.7%) compared to the young respondents (85.7%) and this trust was significantly varied between the groups ($p < 0.05$).

As regards to brand trust according to respondent’s education, majority of respondents (85.9% vs. 89.8%) irrespective of educational attainments trusted foreign branded mobile phone were more trusted by them but difference between the two educational levels were not much even not statistically significant ($p = 0.192$). The result of the research shows that the brand name has a positive influence on consumers’ buying behavior towards purchasing a branded mobile phone. Similar study results indicated that brand name has a positive influence on consumers’ decision making towards

purchasing a phone and a well-known branded mobile ensure better quality [18].

The result again shows that the foreign branded mobile phone was more trusted among respondents of all levels of occupation but the proportion of trust was higher among students (91.1) compared to respondents of service occupation (88.4%) and occupation category of businessman (84.5%), which was in expected direction but the trust was not significantly differed between the occupation groups.

IV. CONCLUSION

The study captured very important understanding of the consumer buying behavior and concluded that promotions and the relevant information about product brands was the key factor by which consumers looked-at when choosing a mobile phone to buy. Based on the analysis and key findings of this study, it is apparent that there is a positive

TABLE VI
BRAND TRUST ACCORDING TO CHARACTERISTICS OF THE
RESPONDENTS (n=424)

	Local Brand	Foreign Brand	Total	Significant level
Gender				
Male	9.7%	90.3%	100.0%	p = 0.152
Female	13.5%	86.5%	100.0%	
Total	11.1%	88.9%	100.0%	
Age				
Young (< 25 years)	14.6%	84.4%	100.0%	p < 0.05
Adult (25+ years)	7.3%	92.7%	100.0%	
Total	11.1%	88.9%	100.0%	
Education				
SSC/HSC & equivalent	14.1%	85.9%	100.0%	p = 0.192
Graduate & above	10.2%	89.8%	100.0%	
Total	11.1%	88.9%	100.0%	
Occupation				
Services	11.6%	88.4%	100.0%	p = 0.367
Business	15.5%	84.5%	100.0%	
Students	8.9%	91.1%	100.0%	
Total	11.1%	88.9%	100.0%	

correlation between the components of consumer purchase intentions and buying behavior. To some extent, most found a positive relationship with trust and consumer purchasing behavior except some has a lesser strength in comparison to other factors. Therefore, the study recommended that each mobile phone manufacturers should carefully re-think its strategy when producing, marketing and distributing the devices and focus on brand personality, brand positioning, product design and differentiation. People are attracted towards newer technology

and will be able to shift from one mobile phone to another if it is better technology and features. However, the study is not free of limitations in terms of area coverage and analyses, which could be taken into consideration to fully explore further scopes of research. More diverse range of respondents could be reached in order to enrich the data. Mobile phone companies should carry out periodic survey to help in identifying the new technologies and features for deciding to add to the product.

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POLICY INTERVENTIONS: A POSITIVE MOVE IN THE INDIAN BANKING SECTOR

***Dr. Mamitha J S**

Abstract

India has a long tradition of banking which forms the core component of the financial sector of an economy. A sound, constructive and effective banking system is necessary for a healthy economy. Thus, banking sector should not only be hassle free but also should be able to meet emerging challenges posed by technology and other internal and external environmental factors. In order to have an efficient and strong financial system, banking sector reforms were most urgent as 80 per cent of funds flowing through the financial system are from banking sector. Banking reforms were initiated based on different committees like Varma Committee, Narasimham Committee I and II to remove the deficiencies and improve the performance of the Indian banking sector. Hence, this study tries to assess bank managers opinion on how far these policy interventions has an influence in the operations of Indian banking sector- both public sector banks and private sector banks.

Key words:- Policy interventions, Structural changes

Banking Industry is considered as the backbone of Indian economy and after liberalization banks had to be more competitive and performance oriented. Reforms in the banking sector were initiated in 1992, based on Chakraborty Committee, Narasimham Committee I and II and the Varma Committee Report

to remove deficiencies and to improve the performance of banking sector in order to comply with required standard. Since 1991, banking sector faced the following problems:

- (a) Increasing NPAs
- (b) Poor customer services.
- (c) Obsolete work technology.

(d) Inability to meet competitive environment.

(e) Mounting losses of private sector banks taken over by public sector banks.

(f) Eroded productivity and efficiency of public sector banks.

The recommendations made by the high level committee on financial sector reforms chaired by Mr. M. Narasimham laid the foundation for banking sector reforms. Banking Sector Reforms do provide a necessary platform for Indian banks to operate on the basis of operational flexibility and functional autonomy thereby enhancing efficiency, productivity and profitability. Reforms also brought about structural changes in financial sector and succeeded in easing external constraint on its operations. Thus banking sector Reforms aim at:

- Modifying policy framework.
- Improving financial soundness and credibility of banks.
- Creating competitive environment for strengthening institutional framework.
- Strengthening banking sector through increase in efficiency and profitability.

Statement of the Problem

Prior to the initiation of reforms measures, the banking system was exposed to several weaknesses: low operational efficiency, inadequate capital base, high level of non-performing assets, low profitability, unhealthy balance sheets and unsatisfactory customer services. The introduction of reforms measures in

1991 and 1998 in the banking sector on the recommendation of the committee on financial system brought about a paradigm shift in policies and functioning of commercial banks in India. Banking system transformed from a highly regulated to de-regulated environment and are live to the expectations of customers in service quality. Banks today act as financial supermarket dealing in all kinds of financial products and services ranging from insurance products to depository services. All these have made banking more accountable, competitive and challenging in its operations.

Thus, there is a need to assess how bank managers perceive banking reforms as a positive move in terms of policy interventions.

Significance of the Study

Indian banking sector had made rapid strides in reforming and aligning itself to the new competitive business environment. There has been a sea change taking place in the banking policies, practices and operations since the initiation of reforms process. These reforms had made banking operations highly dynamic and competitive and banking industry more versatile, efficient and productive. Hence what makes bank unique in the present environment, is its services in terms of quality, accessibility and the benefits conveyed to customers as well the support to implementing hands.

Thus, **Policy Interventions: A Positive Move in the Indian Banking Sector** is significant in the context of benefits reaped in terms of operational support by the bank managers.

Scope of the Study

The present study is confined to the two leading identified public sector and private sector banks in Thiruvananthapuram district of Kerala. It basically focuses on structural changes in the banking sector in terms of policy interventions.

Objectives of the Study

- To ascertain the opinion of bank managers on policy interventions-with a public sector and private sector comparison.

Hypothesis of the Study

- H_0 : There is no significant difference in the opinion of public sector bank managers and private sector bank managers in terms of policy interventions.

Research Methodology

Research Design

The present study is designed as analytical and descriptive one based on survey method. Only primary data were used for the study.

Sources of Data and Method of Collection

For collecting Primary data, a structured questionnaire was used to elicit response from the bank managers.

Sample Design

The sample taken for the study includes 60 bank managers'equally representing public sector bank (30) and private sector bank (30). Banks were identified in terms of maximum business

operations in terms of lending (Loans and Investments) as per **State Level Bankers Committee Report 2018**. The identified two banks from public sector was State Bank of India and Canara Bank and HDFC and South Indian Bank from private sector.

Sampling Technique

Simple Random Sampling technique was used in selecting the branches of SBI, Canara bank,HDFC, South Indian banks operating in Trivandrum district. Bank managers were represented by their branches.

Analysis and Interpretation

Both descriptive and inferential statistics were used for the study.

Review of Literature

Some latest studies have been reviewed which are as follows:

Bishnoi T R (2019) evaluated the recommendations put forwarded by Narasimham Committee Report to restructure and consolidate the banking system through different measures like deregulation of interest rates, entry barriers, reduction in policy variables like SLR, CRR introduction of prudential norms relating to capital adequacy, asset classification, disclosure and recovery mechanism. The prime objective of banking reforms was to improve efficiency, enable competitive environment and ensure operational flexibility to withstand challenges from global market.

Jha D.K.(2018) focused on the prime objective of Narasimham Committee recommendations was to restructure and

consolidate the banking system through measures like deregulation, reduction in policy rates, prudential regulations, transparency and disclosure norms. All these will make the banking system more efficient, more competitive and increase operational flexibility.

Chadha Neha (2017) made an attempt to study how the banking system which was overregulated and over administered was now freed from all restrictions and had entered an era of competition since 1992. The major impact was that the deregulation of interest rate reform had enhanced competition in the sector. The entry of private banks and foreign banks also contributed to it. The study concluded that banking reforms to a great extent has improved the operational performance of the Indian banking sector but at the same time exposed the banking sector to major threats also.

ANALYSIS OF SURVEY RESULTS

Policy Intervention

The identified variables under Policy Interventions were stated in the form of statements:

- ◆ Reduction in CRR and SLR helps in deployment of resources.
- ◆ CRR does not act as a relevant proposition in regulating money supply.
- ◆ SLR, acting as a cushion for safety of bank deposit, is not valid in Indian context.
- ◆ Deregulation of deposit, lending and saving interest rates have intensified competition and ensure flexibility.

- ◆ Introduction of Base rate system instead of BPLR enhanced transparency and better pricing of loans.
- ◆ Prudential norms helps in improving the asset quality.
- ◆ Provisioning norms and special tribunals has lowered the level of NPAs.
- ◆ Technological development helps in improving customer services.
- ◆ Capital Adequacy norms helps to strengthen the soundness and stability of banking system.
- ◆ Monetary policy changes are too frequent in India
- ◆ Fiscal policy and Monetary policy issues contradicts one another in India.
- ◆ Shift in interest fee income to fee based services have increased the profit margins of banks
- ◆ Competition increased with the relaxation of entry norms

Table 1.1 presents the mean opinion score (on a 5 point scale) of bank managers on Policy Interventions. From the results it is evident that bank managers agreed towards the structural changes occurred in the banking sector on account of policy interventions with a cumulative mean scores of above 3. (The cumulative mean score of policy interventions for public sector managers was 3.81 and for private sector it was 3.79) but the difference was not significant as the significance value (0.765) was greater than 0.05.

While comparing the independent mean scores of public sector bank managers and private sector bank managers for each statement under policy interventions, it was seen that there was significant difference in only three out of the thirteen statements on policy interventions. These were ‘Deregulation of deposit, lending and saving rates have intensified competition and flexibility’ (mean score of 4.28 for public sector and 4.05 for private sector), ‘introduction of base rate system instead of BPLR has enhanced transparency and better pricing of loans’ (mean score of 4.20 for public sector and 3.76 for private sector), ‘Provisioning norms and special tribunals has lowered the level of NPAs’ (mean score of 3.59 for private sector and 3.30 for public sector)

In the case of all other statements, both public sector bank managers and

private sector bank managers had uniform opinion.

Hence, it can be inferred that all the bank managers both public sector and private sector had a favorable opinion towards the different policy interventions –indicating a positive and prominent influence in the functioning of the Indian banking sector. (Refer Table 1 and Figure 1)

Findings

- **Policy Interventions:** The outcomes of policy interventions as perceived by public sector managers and private sector managers were identical. However, ‘Deregulation of deposit, lending and saving rates (mean score 4.28) and ‘Introduction of base rate system’ (mean score 4.20) were considered as prominent policy interventions as expressed by public sector bank

Figure 1
Mean Scores of Public Sector bank Managers and Private Sector bank Managers on Policy Interventions

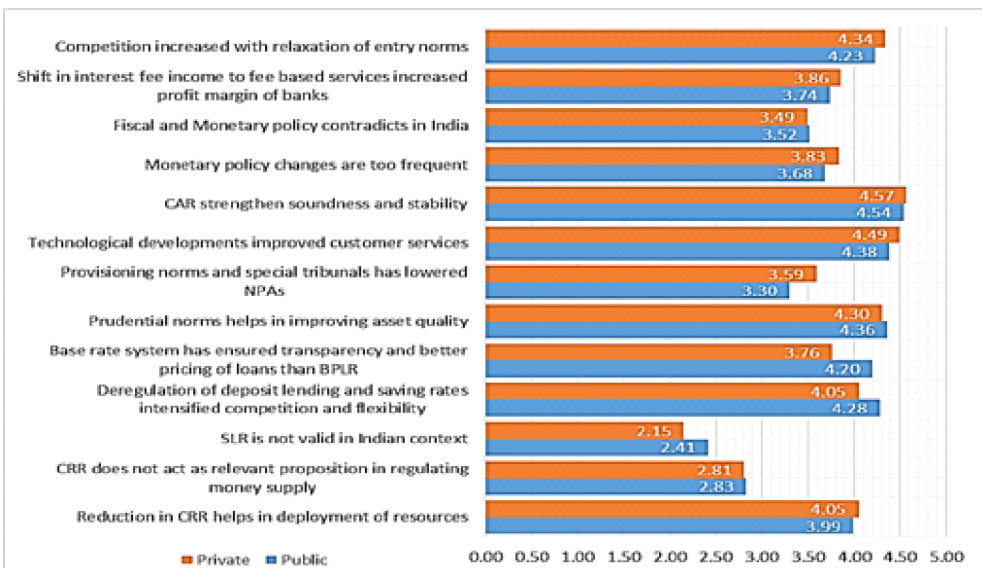


Table 1
Opinion of Public Sector and Private Sector Bank Managers on Policy Interventions

Policy Interventions	Public Sector Bank Managers		Private Sector Bank Managers		t	Sig.
	Mean	SD	Mean	SD		
Reduction in CRR and SLR helps in deployment of resources	3.99	0.71	4.05	0.80	-0.545	0.586
CRR does not act as relevant proposition in regulating money supply	2.83	1.22	2.81	1.06	0.154	0.878
SLR acting as a cushion for safety of bank deposit is not valid in Indian context	2.41	1.27	2.15	1.03	1.748	0.082
Deregulation of deposit lending and saving rates have intensified competition and flexibility	4.28	0.71	4.05	0.61	2.783	0.006
Introduction of Base rate system instead of BPLR enhanced transparency and better pricing of loans	4.20	0.40	3.76	0.88	5.323	0.000
Prudential norms helps in improving asset quality	4.36	0.48	4.30	0.73	0.747	0.456
Provisioning norms and special tribunals has lowered the level of NPAs	3.30	1.06	3.59	0.56	-2.596	0.010
Technological developments helps in improving customer services	4.38	0.70	4.49	0.57	-1.338	0.182
Capital Adequacy Norm helps to strengthen the soundness and stability of banking system	4.54	0.67	4.57	0.53	-0.399	0.690
Monetary policy changes are too frequent in India	3.68	1.25	3.83	0.90	-1.044	0.297
Fiscal policy and Monetary policy issues contradicts one another in India	3.52	1.25	3.49	0.87	0.253	0.801
Shift in interest fee income to fee based services increased profit margins of banks	3.74	0.95	3.86	0.71	-1.157	0.249
Competition increased with the relaxation of entry norms	4.23	1.07	4.34	0.80	-0.903	0.368
Cumulative Mean Opinion Score on Policy Interventions	3.81	0.43	3.79	0.32	0.299	0.765

Source: Survey data

managers whereas private sector bank managers expressed high opinion on 'Provisioning Norms' (mean score 3.59).

- Public sector banks enjoyed more flexibility and experienced more competition through de-regulation of interest rates. Moreover, introduction of base rate system

instead of benchmark prime lending rate ensured great transparency and better transmission of policy rates to lending rates for public sector bank customers.

- Introduction of Provisioning norms on account of increased competition and to be par with international best practices, private sector banks were

capable of lowering their level of NPAs. But still the issue of NPAs in public sector banks were at alarming stage despite of provisioning norms.

Conclusion

Thus, for a planned economy like India, both monetary policy and fiscal policy plays a vital role in achieving economic growth with price stability. The basic objective of monetary policy is to

check the liquidity of the country whereas fiscal policy focus on economic growth and development. Indian banking sector is strongly influenced by financial sector reforms in general and banking sector reforms in particular. Policy interventions have definitely played a great role in restructuring the banking system by resorting to new strategies in-order to meet the requirements of International standards and changing market environment.

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INFLUENCE OF LOANS AND ADVANCES ON NPA - SBI KERALA CIRCLE

***Dr. S Jayadev, **Aravind Krishnan R**

Abstract

The State Bank of India is the largest bank in our nation, in terms of deposits, advances, customers & banking outlets. Non Performing Assets is one of the greatest threats faced by the SBI of Kerala Circle and the severity of the issue varies from advances to advances. In spite of the close loop on bank branches, SBI of Kerala Circle still suffers the problems of NPA. Hence, it is relevant to study the impact of NPA in the SBI of Kerala Circle where there is a high availability of banking services and comparatively high rate of financial literacy among the people. The method of the present study is analytical in nature based on the secondary data to examine the relationship of the Loans and Advances (L&A) on the Non- Performing Assets (NPA) of State Bank of India (SBI), Kerala Circle with the support of the Structural Equation Modelling (SEM). The study concluded that it is important for State Bank of India (SBI), Kerala Circle to consider their attitude of Non- Performing Assets (NPA) on performance metrics.

Key words:- Non- Performing Assets, Loans and Advances, State Bank of India, SEM

The State Bank of India is an Indian multinational, public sector banking and financial services statutory body with a legacy of over 200 years. In 2008, the Government of India acquired the Reserve Bank of India's stake in SBI so as to remove any conflict of interest because the RBI is the country's banking

regulatory authority. The State Bank of India is the largest bank in our nation, in terms of deposits, advances, customers & banking outlets. State Bank of India (SBI) has around 45 Crore customers and has a market share of 19.69 per cent of advances, 22.84 per cent of deposits and a branch network of 22141 branches. The bank is also playing a key role in

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financial inclusion for uplifting the underserved population through 61102 business correspondents in the remote parts of the country.

1.2 Non-performing Assets

In simple words, an asset becomes non-performing when it ceases to generate income for the Bank. The Narasimham Committee on financial system (1991), set up with the initiation of liberalization process in India was the first to highlight the issue of non-performing assets in the banking sector. The Committee placed emphasis on identifying problem loans of banks and making provisions for such bad loans and also suggested methods to deal with them.

The Reserve Bank of India has defined a non-performing asset as a loan or an advance where;

- i. Interest and/ or instalment of principal remain overdue for a period of more than 90 days in respect of a term loan,
- ii. The account remains 'out of order', in respect of an Overdraft/Cash Credit (OD/CC),
- iii. The bill remains overdue for a period of more than 90 days in the case of bills purchased and discounted,
- iv. The instalment of principal or interest thereon remains overdue for two crop seasons for short duration crops,
- v. The instalment of principal or interest thereon remains overdue for one crop season for long duration crops,
- vi. The amount of liquidity facility remains outstanding for more than 90 days, in respect of a securitisation transaction undertaken in terms of guidelines on securitisation dated February 1, 2006,
- vii. In respect of derivative transactions, the

overdue receivables representing positive mark-to-market value of a derivative contract, if these remain unpaid for a period of 90 days from the specified due date for payment.

1.3 Need and Significance

Non Performing Assets is one of the greatest threats faced by the SBI of Kerala Circle and the severity of the issue varies from advances to advances. Despite being a small State, Kerala has an extensive bank network and accounts for 4.6 per cent of the total scheduled commercial bank branches operating in the country. In spite of the close loop on bank branches, SBI of Kerala Circle still suffers the problems of NPA. Hence, it is relevant to study the impact of NPA in the SBI of Kerala Circle where there is a high availability of banking services and comparatively high rate of financial literacy among the people. While conducting the study on the impact of NPA, it is important to understand the impact on various loan portfolios such as Agriculture Loans, Business Loans, Housing Loan, Vehicle Loan, Personal loan and Education Loan. Even though few researchers have conducted their research on the influence of NPA or the presence of NPA in the banking sector, none of the researchers have ever attempted to study the impact of NPA on the various loan portfolios as mentioned above, hence it leads to a research problem as far as the present study is concerned.

1.4 Objective of the Study

To examine the relationship of the Loans and Advances (L&A) on the Non-Performing Assets (NPA) of State Bank of India (SBI), Kerala Circle.

1.5 Hypothesis

The hypothesized model has a good fit to examine the relationship of the Loans and Advances (L&A) on the Non-Performing Assets (NPA) of State Bank of India (SBI), Kerala Circle.

1.6 Methodology of the Study

The method of the present study is analytical in nature based on the secondary data collected from the official web site of the SBI of Kerala Circle, published from the period of 2013 to 2020. Structural Equation Modelling (**SEM**) was performed to evaluate the relationship of the Loans and Advances (L&A) on the Non- Performing Assets (NPA) of State Bank of India (SBI), Kerala Circle.

1.7 Results and Discussion

The following tables relate with the analysis done to examine the relationship of the Loans and Advances (L&A) on the Non- Performing Assets (NPA) of State Bank of India (SBI), Kerala Circle. Structural Equation Modelling (**SEM**) was performed. The details are as follows.

As per the Variable Summary, the present model has the following variables. The details are shown in table 1.1

Thus, it is clear that number of variables in the present model is 20. Number of observed variables are 13, Number of unobserved variables are 7, Number of exogenous variables are 13 and the Number of endogenous variables are 7.

Based on the Un-Standardized Regression Weights (USRW), when Agriculture Loan, Home Loan and SME Loan go up by 1 degree standard deviation change; Interest on Advances goes down by 1.864 times, 3.128 times and 2.273 times respectively. When Educational Loan, Auto Loan and Personal Loan go up by 1 degree standard deviation change; Interest on Advances goes down by 6.244 times, 6.343 times and 6.475 times respectively. Similarly, when Agriculture Loan goes up by 1 degree standard deviation change; Agriculture Loan- NPA goes up by 0.015 times. When Auto Loan goes up by 1 degree standard deviation change; Auto Loan -NPA goes up by 0.008 times. When Educational Loan goes up by 1 degree standard deviation change; Educational Loan - NPA goes up by 0. 144 times. When Personal Loan goes up by 1 degree standard deviation change; Personal Loan- NPA did not affect. When Home Loan

Table 1.1

Variable Summary of the model- State Bank of India (SBI), Kerala Circle

Observed, endogenous variables	Observed, exogenous variables	Unobserved, exogenous variables
SME Loan - NPA	SME Loan	e2
Home Loan- NPA	Home Loan	e3
Personal Loan- NPA	Personal Loan	e4
Auto Loan -NPA	Auto Loan	e5
Educational Loan -NNPA	Educational Loan	e6
Agriculture Loan- NPA	Agriculture Loan	e7
Interest on Advances		e8

Source: Secondary data

Table 1.2

Regression Weights of the model- State Bank of India (SBI), Kerala Circle

Dependent Variables	Relation	Independent Variables	Un-Standardized Regression Weights	S.E.	Standardized Regression Weights	C.R.	P
Interest on Advances	<---	Agriculture Loan	-1.864	.679	-4.191	-2.746	.006
Interest on Advances	<---	Educational Loan	6.244	.919	2.689	6.794	***
Interest on Advances	<---	Auto Loan	6.343	1.368	5.713	4.637	***
Interest on Advances	<---	Personal Loan	6.475	1.296	12.472	4.995	***
Interest on Advances	<---	Home Loan	-3.128	.674	-12.180	-4.638	***
Interest on Advances	<---	SME Loan	-2.273	.213	-3.854	-10.692	***
Agriculture Loan- NPA	<---	Agriculture Loan	.015	.002	1.081	6.688	***
Auto Loan - NPA	<---	Auto Loan	.008	.001	1.005	5.580	***
Educational Loan - NPA	<---	Educational Loan	.144	.051	.797	2.819	.005
Personal Loan- NPA	<---	Personal Loan	.000	.001	.137	.338	.736
Home Loan- NPA	<---	Home Loan	.009	.002	1.066	5.582	***
SME Loan - NPA	<---	SME Loan	.035	.009	.753	3.995	***
Agriculture Loan- NPA	<---	Interest on Advances	-.009	.005	-.294	-1.820	.069
Educational Loan - NPA	<---	Interest on Advances	.001	.022	.007	.026	.980
Auto Loan - NPA	<---	Interest on Advances	-.001	.001	-.132	-.735	.462
Personal Loan- NPA	<---	Interest on Advances	.002	.003	.355	.872	.383
Home Loan- NPA	<---	Interest on Advances	-.012	.007	-.341	-1.785	.074
SME Loan - NPA	<---	Interest on Advances	.020	.015	.257	1.365	.172

Source: Secondary data

goes up by 1 degree standard deviation change; Home Loan- NPA goes up by 0.009 times. When SME Loan goes up by 1 degree standard deviation change; SME Loan - NPA goes up by 0.035 times. Likewise, when Interest on Advances goes up by 1 degree standard deviation change; Agriculture Loan- NPA, Auto Loan – NPA and Home Loan- NPA go down by 0.009 times, 0.001 times and 0.002 times respectively. When Interest on Advances goes up by 1 degree standard deviation change; Educational Loan - NPA, Personal Loan- NPA and SME Loan - NPA go up by 0.001 times, 0.002 times and 0.020 times respectively.

Now it is of the essence to examine the individual prediction capacity of the independent variables on the dependent variables. The p value based on the CR test statistic was examined. Accordingly,

the Personal Loan independently not influence the Personal Loan- NPA (Critical Ratio value 0.338; p value 0.736; P value>5 per cent). Likewise, the Interest on Advances do not influence the Agriculture Loan- NPA (Critical Ratio value -1.820; p value 0.069; P value>5 per cent), Educational Loan - NPA (Critical Ratio value 0.026; p value 0.980; P value>5 per cent), Auto Loan -NPA (Critical Ratio value -0.735; p value 0.462; P value>5 per cent), Personal Loan- NPA (Critical Ratio value 0.872; p value 0.383; P value>5 per cent), Home Loan- NPA (Critical Ratio value -1.785; p value 0.074; P value>5 per cent) and SME Loan - NPA (Critical Ratio value 1.365; p value 0.172; P value>5 per cent).

Accordingly, based on the Standardized Regression Weights, the highest positive coefficient is attributed to

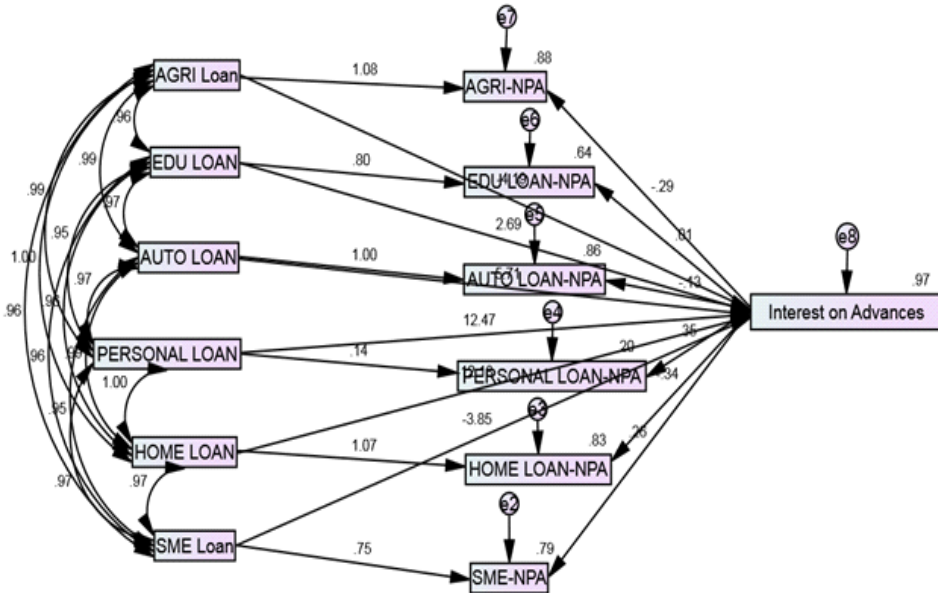
Table 1.3
Correlations — State Bank of India (SBI), Kerala Circle

Correlation		Estimate	
Agricultural Loan	<-->	Educational Loan	.957
Agricultural Loan	<-->	Auto Loan	.989
Agricultural Loan	<-->	Personal Loan	.994
Agricultural Loan	<-->	Home Loan	.997
Agricultural Loan	<-->	SME Loan	.960
Educational Loan	<-->	Auto Loan	.967
Educational Loan	<-->	Personal Loan	.949
Educational Loan	<-->	Home Loan	.964
Educational Loan	<-->	SME Loan	.958
Auto Loan	<-->	Personal Loan	.973
Auto Loan	<-->	Home Loan	.987
Auto Loan	<-->	SME Loan	.949
Personal Loan	<-->	Home Loan	.997
Personal Loan	<-->	SME Loan	.966
Home Loan	<-->	SME Loan	.965

Source: Secondary data

Figure 1.1

Relationship of the Loans and Advances (L&A) on the Non- Performing Assets (NPA) of State Bank of India (SBI), Kerala Circle



the Personal Loan with the Interest on Advances (CV 12.472), Auto Loan with the Interest on Advances (CV 5.713), Educational Loan with the Interest on Advances (CV 2.689), Agriculture Loan with the Agriculture Loan- NPA (CV 1.081), Home Loan with the Home Loan- NPA (CV 1.066), Auto Loan with the Auto Loan -NPA (CV 1.005), Educational Loan with the Educational Loan - NPA (CV 0.797) and SME Loan with the SME Loan - NPA (CV 0.753). The highest negative coefficient is attributed to the Home Loan with the Interest on Advances (CV 12.180), Agriculture Loan with the Interest on Advances (CV 4.191) and SME Loan with the Interest on Advances (CV 3.854).

Based on the above model, it has been estimated the correlations among the

exogenous variables. The correlation estimated to be 95.7 per cent between Educational Loan and the Agricultural Loan. The correlation estimated to be 98.9 per cent between Auto Loan and the Agricultural Loan. The correlation estimated to be 99.4 per cent between Personal Loan and the Agricultural Loan. In the same way, all correlation coefficients are highly positive to each other, as explained in the above table.

Squared Multiple Correlations (R Square-Reliability) of State Bank of India (SBI), Kerala Circle is also noted. The reliability in the influence of the dependent variable Interest on Advances by the independent variables is 96.8 per cent. Similarly the influencing level of the Agriculture Loan- NPA is 88.1 per cent, Educational Loan – NPA 64.2 per cent,

Table 1.4**Squared Multiple Correlations (R Square-Reliability)— State Bank of India (SBI), Kerala Circle**

	Estimate
Interest on Advances	.968
Agriculture Loan- NPA	.881
Educational Loan - NPA	.642
Auto Loan -NPA	.861
Personal Loan- NPA	.199
Home Loan- NPA	.831
SME Loan - NPA	.793

Source: Secondary data

Table 1.5**Baseline Comparisons-- State Bank of India (SBI), Kerala Circle Table 1.6**

GFI	0.917	> 0.90 (Hu and Bentler, 1999)
AGFI	0.902	> 0.90 (Hair et al. 2006)
NFI	0.912	> 0.90 (Hu and Bentler, 1999)
CFI	0.919	> 0.90 (Daire et al., 2008)
RMR	1.235	< 0.08 (Hair et al. 2006)
RMSEA	0.065	< 0.08 (Hair et al. 2006)

Source: Primary data

Auto Loan -NPA 86.1 per cent, Personal Loan- NPA 19.9 per cent, Home Loan- NPA 83.1 per cent and SME Loan – NPA79.3 per cent.

Based on the baseline comparisons all the values are within the bench mark. The GFI coefficient is 0.917 > 0.90 (Hu and Bentler, 1999), AGFI coefficient is 0.902 > 0.90 (Hair et al. 2006), NFI coefficient is 0.912 > 0.90 (Hu and Bentler, 1999), CFI coefficient is 0.919 > 0.90 (Daire et al., 2008), RMR coefficient is 1.235 > 0.08, and RMSEA coefficient is 0.065 < 0.08 (Hair et al. 2006).

1.8 Conclusion

Thus, the present study clearly examined the relationship of the Loans and Advances (L&A) on the Non-Performing Assets (NPA) of State Bank of India (SBI), Kerala Circle. It is important for State Bank of India (SBI), Kerala Circle to consider their attitude of Non- Performing Assets (NPA) on performance metrics. Banks have to accept losses on loans and they should be able to do so without any fear of harassment by the investigative agencies. The factors that are contributing to NPA

are deprived loan management policy, unseemly credit appraisal, business failures, destitute upturn of receivables, lethargic legal system, industrial downturn and

unfavourable exchange rates. Therefore, set the goal in a humble way and try to achieve the desired target with the sincere effort of top to bottom level of the employees.

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ORGANIZATIONAL CULTURE - FOUNDATION OF BUSINESS ESCALATION

***Dr. Hari K, **Swathi Hari**

Abstract

According to the Webster's dictionary, culture is the ideas, customs, skills, arts, etc. of a given people in a given period. Astute managers have realized that any organization also has its own corporate culture. Organizational culture is shaped by and overlaps with other cultures - especially the broader culture of the societies in which it operates. The unique personality of an organization is referred to as its culture. In groups of people who work together, organizational culture is an invisible but powerful force that influences the behavior of the members of that group. Organizational culture is a system of shared assumptions, values, and beliefs, which governs how people behave in organizations. There are 2 major contributions to the aspect of the dimensions of organizational culture by Geert Hofstede and Chatman, J. A., & Jehn, K. A. (1991). This being a vast topic there are segregated levels for better understanding. These levels may be viewed like an iceberg, with the most immediately visible level at the top, while the others are generally submerged or implicit. The effects of organizational culture are many and varied. Obviously the affects of organizational culture varies depending on whether the company has a strong culture or a weak culture, but there are some generalities that apply. No company, small or large, can win over the long run without energized employees who believe in the mission and understand how to achieve it.

Key words:- Dimensions, Levels, Organizational Culture, Strong culture, Weak culture

*I*n today's modern business scenario that is filled with intense competition and race to win all over, the importance of retaining the intellectual assets has increased immensely. To retain a person in the organization the major challenge is to

provide them an agreeable and exceptional work environment.

The most challenging element of work environment is the culture which is percolated by the value system of top end officials. Organizational culture is a widely used term but one that seems to give rise

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to a degree of ambiguity in terms of assessing its effectiveness on change variables in an organization.

Organization is a systematic arrangement of people to accomplish some specific purpose. Every organization is composed of three elements i.e. people, goals and system. Each organization has a distinct purpose. This purpose is expressed as goals generally. Each organization is composed of people. Every organization has a systematic structure that defines the limit of each member. A business organization is an individual or group of people that collaborate to achieve certain commercial goals. Some business organizations are formed to earn income for owners. "Culture" is shared patterns of behaviors and interactions, cognitive constructs and understanding that are learned by socialization. Thus, it can be seen as the growth of a group identity fostered by social patterns unique to the group. The word "culture" derives from a French term, which in turn derives from the Latin "colere," which means to tend to the earth and grow, or cultivation and nurture.

Organizational culture is the behavior of humans within an organization and the meaning that people attach to those behaviors. . Culture includes the organization's vision, values, norms, systems, symbols, language, assumptions, beliefs, and habits. Culture is consistent, observable patterns of behavior in organizations. Culture is a process of "sense-making" in organizations. Sense-making has been defined as "a collaborative process of creating shared

awareness and understanding out of different individuals' perspectives and varied interests."

Note that this moves the definition of culture beyond patterns of behavior into the realm of jointly-held beliefs and interpretations about "what is." It says that a crucial purpose of culture is to help orient its members to "reality" in ways that provide a basis for alignment of purpose and shared action. Organizational culture is shaped by and overlaps with other cultures — especially the broader culture of the societies in which it operates. This observation highlights the challenges that global organizations face in establishing and maintaining a unified culture when operating in the context of multiple national, regional and local cultures.

COMPREHENSION OF ORGANIZATIONAL CULTURE

Would you conduct yourself the same way while on an official tour and a family outing? Although both are similar doings, there are set of unwritten rules that dictate what is considered to be the acceptable way to behave for each type of event, and the people in attendance will send you signals as to whether or not they think you are acting appropriately. Similarly everywhere that people get together, group members convey social expectations by how they dress and act. Newcomers to the group are expected to learn what is acceptable to the group by observing the behavior of the group members and adapting to the situation accordingly. Thus, Organizational culture works a lot like this. Every company has

its own unique personality, just like people do.

The unique personality of an organization is referred to as its culture. In groups of people who work together, organizational culture is an invisible but powerful force that influences the behavior of the members of that group. Organizational culture is a system of shared assumptions, values, and beliefs, which governs how people behave in organizations. These shared values have a strong influence on the people in the organization and dictate how they dress, act, and perform their jobs. Every organization develops and maintains a unique culture, which provides guidelines and boundaries for the behavior of the members of the organization. Let's explore what elements make up an organization's culture. Corporate culture is rooted in an organization's goals, strategies, structure, and approaches to labor, customers, investors, and the greater community. As such, it is an essential component in any business's ultimate success or failure.

DIMENSIONS OF ORGANIZATIONAL CULTURE

The concept of corporate/organizational culture emerged as a consciously cultivated reality in the 1960s along-side related developments like the social responsibility movement—itsself the consequence of environmentalism, consumerism, and public hostility to multinationals. Awareness of corporate culture was undoubtedly also a consequence of growth, not least expansion overseas—where corporations found themselves competing in other

national cultures. Study of organization's culture helps us identify, measure, and manage culture more effectively. In the wide extent of research on this topic has taken place with the aim to make it more clear and precise. "Understand the culture to understand the organization," states Edgar Schein.

An organization's culture is the systematic way employees, leaders, and work groups behave and interact with each other. Company culture is collectively composed of values, beliefs, norms, language, symbols, and habits. A fit between your personality and your company's culture is of critical importance to both your happiness and your success. If you don't feel like you are welcome and you belong, it will impact your professional relationships and drive and desire to excel. The series of studies in this context have brought in various inputs into light. One of the most recent study by Geert Hofstede who is a social psychologist and foremost authority on global and organizational cultures, identified six dimensions that shape the organizational culture viz. –

- I. Means- vs. goal-oriented
- II. Internally vs. externally drive
- III. Easygoing vs. strict work discipline
- IV. Local vs. professional
- V. Open vs. closed system
- VI. Employee- vs. work-centered

Culture is largely invisible to individuals just as the sea is invisible to the fish swimming in it. Even though it affects all employee behaviors, thinking, and behavioral patterns, individuals tend to

become more aware of their organization’s culture when they have the opportunity to compare it to other organizations. One of the major outcomes of the numerous researches is, the organizational culture profile (OCP), in which culture is represented by seven distinct values. This was developed by Chatman, J. A., & Jehn, K. A. (1991) for assessing the relationship between industry characteristics and organizational culture. The seven dimensions are explained in detail as below-

1. Innovative Cultures

This describes the degree to which employees are encouraged to bring in innovative practices along with the risk factor involved in the same. According to the OCP framework, companies that have innovative cultures are flexible, adaptable, and experiment with new ideas. These companies are characterized by a

flat hierarchy and titles and other status distinctions tend to be downplayed. Some most pioneering cultures consistently manage to innovate and capture the majority of market share in a wide variety of industries, in large part because of its unique culture. In such work houses, employees do not have bosses in the traditional sense, and risk taking is encouraged by celebrating failures as well as successes.

2. Aggressive Cultures

This displays the degree to which people are aggressive and competitive. Companies with aggressive cultures value competitiveness and outperforming competitors; by emphasizing this, they often fall short in corporate social responsibility. In aggressive companies the workforce is prone to be harsh on their words wherein they may indulge in statements like “we will kill our

Figure 1
Dimensions of Organizational Culture



Source: <https://nem.edu/resources/organizational-culture—5>

competition.” And the major drawback of this culture is constantly getting into legal troubles.

3. Outcome-Oriented Cultures

This depicts the degree to which management focuses on results rather than on processes used to achieve them. It is those that emphasize achievement, results, and action as important values. Outcome-oriented cultures hold employees as well as managers accountable for success and use systems that reward employee and group output. In this culture practicing companies, it is more common to see rewards tied to performance indicators as opposed to seniority or loyalty. The major loophole of this culture is that performance pressures lead to a culture where unethical behaviors become the norm, individuals see their peers as rivals, and short-term results are rewarded, the resulting unhealthy work environment serves as a liability.

4. Stable Cultures

This portrays the degree to which activities emphasize maintaining the status quo for achievement of its ultimate goals. Stable cultures are predictable, rule-oriented, and bureaucratic. When the environment is stable and certain, these cultures may help the organization to be effective by providing stable and constant levels of output. These cultures prevent quick action and, as a result, may be a misfit to a changing and dynamic environment. Public sector establishments are the perfect examples of the systems with stable cultures.

5. People-Oriented Cultures

This reveals degree to which management decisions consider the effect

of outcomes on people within the organization. People-oriented cultures value fairness, supportiveness, and respecting individual rights. In these organizations, there is a greater emphasis on and expectation of treating people with respect and dignity. The major benefit reaped by the firm in having a people oriented approach is that the company faces a turnover rate lesser than the industry average. Talent management and retention can be earned quite effortlessly.

6. Team-Oriented Cultures

This approach shows the degree to which work activities are organized around teams rather than individuals which uplifts the team spirit amongst all the members of the organization. Companies with a team-oriented culture are collaborative and emphasize cooperation among employees. In team-oriented organizations, members tend to have more positive relationships with their coworkers and particularly with their managers.

7. Detail-Oriented Cultures

This speaks about the degree to which employees are expected to exhibit precision, analysis, and attention to details in their working. Organizations with a detail-oriented culture are characterized in the OCP framework as emphasizing precision and paying attention to details. Such a culture gives a competitive advantage to companies in the hospitality industry by helping them differentiate themselves from others.

Thus, strong culture is one that is shared by organizational members. It is

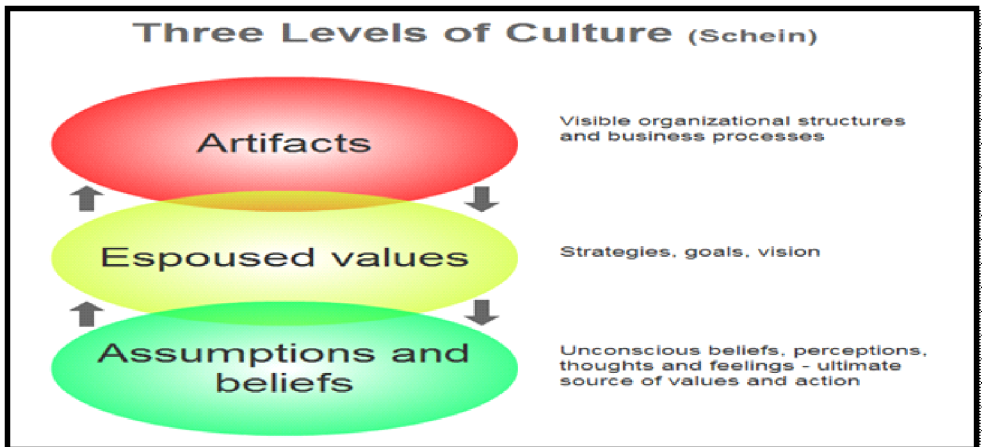
important to realize that a strong culture may act as an asset or a liability for the organization, depending on the types of values that are shared. If any persisting value system matches the organizational environment, the company may perform well and outperform its competitors. Strong and well established culture is always an asset to all the related stakeholders but only as long as members are behaving ethically. However, a strongly pursued culture coupled with unethical behaviors and an obsession with quantitative performance indicators may be detrimental to an organization’s effectiveness. In 1980 the American professor Edgar Schein developed a organizational culture model to make culture more visible within an organization. Edgar Schein also indicated what steps need to be followed to bring about cultural change.

LEVELS OF ORGANIZATIONAL CULTURE

This model is extremely valuable to understand “strange” behaviors of your teams or in time when you are working on serious organizational change and get unexpected high resistance to change. Owing to its pervasive and also unfathomable nature, Schein suggests that there are 3 levels on which organizational culture makes its presence felt. These levels may be viewed like an iceberg, with the most immediately visible level at the top, while the others are generally submerged or implicit. In practice, the three levels of the organizational culture model are sometimes represented as an onion model as it is based on different layers. The outer layer is fairly easy to adapt and easy to change. The deeper the layer, the harder it becomes to adjust it.

It is described in detail as-

Figure 2
Levels of Organizational Culture



Source: <http://www.comindwork.com/weekly/2014-09-15/productivity/schein-method-three-levels-of-culture>

■ ***Artefacts and symbols*** -

Artefacts mark the surface of the organization. They are the observable fundamentals in an organization such as logos, architecture, structure, processes and corporate clothing. These are not only visible to the employees but also visible and recognizable for external parties. Some notable characteristic behaviors may have considerable longevity.

■ ***Espoused Values*** –

This level has concerns regarding standards, values and rules of conduct. Gives a clear insight on how the organization expresses its strategies, objectives and philosophies along with the facet on how these are made public. Organizational values are frequently expressed through norms—characteristic attitudes and accepted behaviors that might be called “the unwritten rules of the road”—and every employee quickly picks them up.

■ ***Assumptions and beliefs*** -

Basic underlying assumptions are deeply entrenched in the organizational culture and are experienced as self-evident and unconscious behavior. Assumptions are hard to recognize from within. An organization’s underlying assumptions grow out of values, until they become taken for granted and drop out of awareness.

This theory of levels provides points of reference to create cultural change.

Organizations should be responsive and acceptable that cultural change is a transformation process; behavior must be unlearned first before new behavior can be learned in its place. When a difference arises between the desired and the prevailing culture, cultural interventions

should take place. The responsibility lies with senior management supported by a personnel department. It is important that results are measured and that good performance is rewarded.

The major aim of building a strong culture is to create a connection between science and practice based on concrete results. The three levels of the organizational culture model are occasionally represented as an onion model as it is based on different layers. The outer layer is fairly easy to adapt and easy to change. The deeper the layer, the harder it becomes to adjust it. Deeply embedded in the core of the onion we find the assumptions. Around the core we find the values.

THE POSITIVE AND NEGATIVE IMPACT OF ORGANIZATIONAL CULTURE

The effects of organizational culture are many and varied. Obviously the affects of organizational culture varies depending on whether the company has a strong culture or a weak culture, but there are some generalities that apply. A strong organization will focus on the environment it creates for its workers because that will help encourage a more efficient and productive company. Focusing on building and sustaining organizational culture shows employees that they are considered an important part of the company. Any company with unique and strong culture generally has the best response from its employees and thus will also have a much better chance of achieving its goals.

When two Harvard Business School professors examined 11 years of business

results across more than 200 companies spanning 22 different industries, they found that companies with superior cultures dramatically outperformed their competition. The larger and more successful the company, the more challenging it is to innovate not only because of bureaucracy, but also because of a perceived fear of failure. A large company will occasionally have leaders who understand the ephemeral nature of market domination. Every company's uniqueness is teaching executives and their teams specifically how corporate culture can drive better business performance, support change, and align with strategic imperatives for growth and innovation.

Success Stories of Organizational Culture

1. Google

Google is the best company to work for in India as well as globally. Google is not a conventional company and it gives freedom to employees to work and enjoy while at office. At Google, every employee is treated with utmost respect and they believe that they all have something important to say, and that every employee is integral to the giant's success. They provide individually-tailored compensation packages that can be comprised of competitive salary, bonus, and equity components, along with the opportunity to earn further financial bonuses and rewards. The best part about Google is that it allows people to take risks and fail in their pursuit for technological excellence. They believe in creating internal quickness by putting in place only as much structure as absolutely necessary. Managers are RESOURCES not bosses. They work FOR the team.

2. Marriot Hotels

It started Indian operations in 1927. Business Week Magazine ranks Marriott International 50 out of 100 on its "Hottest Employers of ". Marriott Hotels offers family-friendly benefits that promote health/wellness, education, flexibility and work-life integration. It has been recognized for offering policies and practices that encourage women's advancement. Employees are referred to as associates and their feedback about the company is evaluated. Complimentary stay in the hotel is offered to employees on their birthday.

Failure Stories of Organizational Culture

A toxic culture in an organization creates an environment that can damage the emotional, physical or financial wellbeing of employees, customers and those associated with that organization.

A. Daimler Chrysler

In May, 1998, Daimler-Benz and Chrysler Corporation, two of the world's leading car manufacturers, agreed to combine their businesses in what they claimed to be a merger of equals. The merger resulted in a large automobile company, ranked third in the world in terms of revenues, market capitalization and earnings, and fifth in the number of units sold. To minimize this clash of cultures, Schrempp decided to allow both groups to maintain their existing cultures. German and American styles of management differed sharply. Within 19 months two American CEOs were dismissed and German management took over. But a number of Chrysler's key

players had left the corporation and remaining employees were demoralized and demotivated. Daimler-Benz wanted to simply take advantage of Chrysler's efficiency. One corporate culture cannot simply suppress and replace the other one. A consensus has to be reached and the foundation for a new culture, based on elements of both cultures involved, has to be laid.

B. HP - Compaq

The merge of HP and Compaq was initially considered a success in 2002, as the company was still able to exceed their goals. In 2004, the fact of HP missing the merger's longer-term revenue and profit goals had become clearer. HP is more in an engineering-driven culture that values teamwork and rewards ideas and inventions whereas Compaq had a hard-charging sales culture as perceived as aggressive. Besides HP put a heavier stress on team accountability while Compaq is more in sharply defined lines of responsibility. This merger is still in the bracket of being successful or failure. But the results that were awaited with this merger is surely not attained.

Conclusion

A common platform where individuals work in unison to earn profits as well as a livelihood for themselves is called an organization. A place where individuals realize the dream of making it big is called an organization. Every organization has its unique style of working which often contributes to its culture. The beliefs, ideologies, principles and values of an organization form its culture. The culture of the workplace controls the way employees behave

amongst themselves as well as with people outside the organization. The culture decides the way employees interact at their workplace & also goes a long way in promoting healthy competition at the workplace. The culture of an organization represents certain predefined policies which guide the employees and give them a sense of direction at the workplace. The work culture goes a long way in creating the brand image of the organization. The organization culture brings all the employees on a common platform & unites the employees who are otherwise from different back grounds. The work culture promotes healthy relationship amongst the employees and the culture of the organization which extracts the best out of each team member. "Culture is the soul of the organization — the beliefs and values, and how they are manifested. I think of the structure as the skeleton, and as the flesh and blood. And culture is the soul that holds the thing together and gives it life force." - Henry Mintzberg. Thus, an organization with a strong culture, which may vary depending on the industry the company is in, not just helps in increasing the organization performance levels, but also increases the opportunities available to the company and developing a competitive advantage over the other companies which in the long run becomes a company's identity. Also, recent studies have shown that, companies are moving towards concentrating on merging or acquiring companies that share a similar culture because the major issue that arises after a merger or

acquisition is incompatibility of workers with the new environment resulting in diseconomies of scale. No company, small or large, can win over the long run without energized employees

who believe in the mission and understand how to achieve it.

Culture Matters, Changing it is Simpler Than You Think.

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IMPACT OF SELF HELP GROUPS (SHGs) ON FINANCIAL MANAGEMENT AND ECONOMIC EMPOWERMENT OF WOMEN

*Dr. Sumesh G S

Abstract

Self Help Groups (SHG) is a small voluntary association of poor people, preferably from the same socio economic background. They come together for the purpose of solving their common problems through self-help and mutual help. The SHGs promote small savings among its members. The savings are kept with a bank in the common name of SHGs. Micro finance programmes are currently being promoted as a key strategy for addressing poverty alleviation. There were certain misconceptions about the poor people that they need loan at subsidized rate of interest on soft terms as they lack skills, capacity to save, credit worthiness and therefore are not bankable. So, here an attempt is made to examine the role and influence of SHG on financial management and economic financial management of women.

Key words:- Self Help Groups, small savings, financial management, women financial management, economic development.

A Self Help Group (SHG) is defined as a special form of voluntary organization usually formed by homogeneous groups of people to attain certain goals either social, economic or both. They have a main role in the promotion of socio economic development of the rural poor. It also aimed at increasing the income level and

improving the financial literacy and standard of living. The scheme of micro financing through SHGs transferred to real economic power in the hands of women and lead to their empowerment. SHG has helped in empowerment of women and building self-confidence, but lack of education and financial knowledge often comes in the way and thereby hindering their further

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empowerment. The current status of rural poor shows the progress and upliftment gained by them through their participation in SHGs. It is from this motivation the scope of empowerment of poor people in rural area came into force. The participation of SHGs helped the rural people in gaining financial knowledge, confidence and literacy. The saving habits of rural people had increased by their participation and lead to a better financially disciplined lifestyle which really helped them in raising their standard of living.

It is essential to make a reference into the specific areas of women empowerment and also the empowerment indicators before proceeding into the study of Self-Help Groups and their role in empowering the women as empowerment facilitators. The crucial areas where the women need to be empowered categories broadly into: Economic Empowerment , Social Empowerment, Educational Empowerment, Political Empowerment, Legal Empowerment, Health and Psychological Empowerment.

REVIEW OF LITERATURE

1. Dr Uma Narang examined in her paper, title “Self Help Group: An Effective Approach to Women Empowerment in India” the women empowerment through SHGs and also explains the current position of women empowerment in India. She further explained that in many villages of India the women get their livelihood through self-help group activities.

2. Lakshmi. R and Vadivalagan. G have study that The participation of

women in Self Help Groups (SHGs) made a significant impact on their empowerment both in social and economic aspects in their research paper with title “ Impact Of Self Help Groups On Empowerment Of Women: A Study In Dharmapuri District, Tamilnadu”.

3. Anju Singh Choudhary examines how the Self-Help Group – Sakhi is instrumental in promoting entrepreneurial culture among rural women in Rajasthan in association with the major industrial units operating in and around the local areas. The author reflects her thoughts how empowered women bring overall upliftment of the society and how the SHGs enable them to create self-employment opportunities through entrepreneurial training programmes to achieve social and economic independence (Choudhary, 2015).

STATEMENT OF THE PROBLEM

This study has been designed to evaluate the performance of SHGs among the rural population. The study is helpful for finding out their performance, developments and drawbacks of the present programme. Although women contribute substantially to the family income, their socio- economic scenario is still far behind that of men, indicating the need for giving more emphasis on the empowerment of women. It has been found from one of the earlier studies that social and cultural barriers prevented women from equal participation in decision-making and in economic development. Recognition of the need to improve the status of women and to promote their potential role in

development is an issue of human rights and social justice. Investment in women is now recognised as crucial to achieve sustainable development. Economic analysis recognise that low levels of education and training, poor health and nutritional status, and limited access to resources not only depress the quality of life of a woman, but also limit productivity, and hinder the efficiency and growth of the economy as a whole.

SCOPE OF THE STUDY

SHG As A System Has Infused Certain Synergy Among Its Members To Move Up In The Socio-Economic Ladders From Passive Onlooker Into An Active Partner/Stakeholder In The Development Process. Today, Shgs In India Have Become A Potential Tool For The Empowerment Of Rural Poor, Social Solidarity And Socio-Economic Betterment Of The Poor In Their Own Setting. Therefore, The Study Of Financial Empowerment Of SHG Members Is Very Relevant In The Present Scenario. This Study Primarily Focusses On The Shgs As A Platform For The Women, Particularly In Rural Areas, To Associate, Socialize And Gain Self-Confidence, Power To Make Personal Life Choices And Especially Participate In Financial Decision-Making Primarily At Family And Household Levels.

OBJECTIVES OF THE STUDY

- To identify the role of SHGs in improving financial inclusion among rural peoples.
- To understand whether the participation in SHGs have increased their financial discipline.

- To ascertain the level of financial empowerment achieved by SHGs depending on the socio economic features of the members.

HYPOTHESIS OF THE STUDY

Ho- There is no significant relation between the Educational Qualification of the respondents and their Changes in Financial Behavior after joining the SHG.

RESEARCH METHODOLOGY

Stratified sampling method is used in this study. The required sample may be selected from each stratum using simple random sample methods. By using this technique, data is obtained from 100 respondents who have participated in Self Help Groups. The sampling design of the study is conducted in Self Help Groups in Alappuzha district and samples for the study is selected among members in each select Self Help Group. The data collected for the study include both primary data and secondary data.

LIMITATIONS OF THE STUDY

- The present study of Respondents classification based on the members, who are working under different SHGs, is confined to chengannur taluk.
- Sample size is only 100. Hence inadequacy of samples may adversely influence the findings of the study.

RESULTS AND DISCUSSION

The table 1 reveals the number of SHGs in each district in Kerala. It shows that highest number of Self-help Groups is registered in Malappuram district and is followed by Palakkad district. In Kerala least number of Self Helps Groups is registered in Wayanad district and is followed by Pathanamthitta district.

Table 1
District wise distribution of SHGs

Sl No.	Districts	Total Blocks	Total SHGs	Percentage
1	Alappuzha	12	18,217	7.72
2	Ernakulam	14	19,777	8.38
3	Idukki	8	11,326	4.80
4	Kannur	11	15,565	6.60
5	Kasargode	6	9,709	4.12
6	Kollam	11	19,384	8.22
7	Kottayam	11	13,080	5.55
8	Kozhikkode	12	20,822	8.83
9	Malappuram	15	23,549	9.98
10	Palakkad	13	23,290	9.87
11	Pathanamthitta	8	8596	3.64
12	Thiruvananthapuram	11	22624	9.59
13	Thrissur	16	21382	9.06
14	Wayanad	4	8559	3.63
Total			235,880	100.00

Source: Ministry of Rural Development

Figure 1
Age wise classification

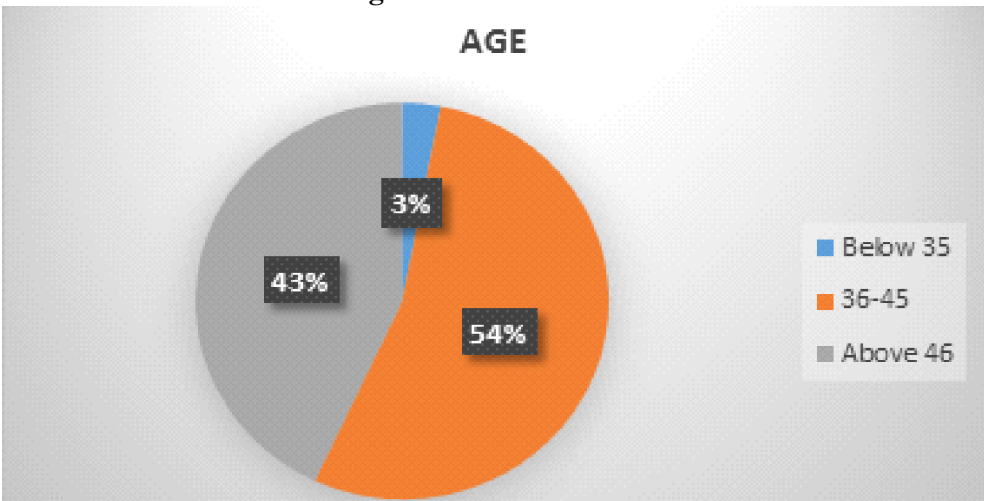
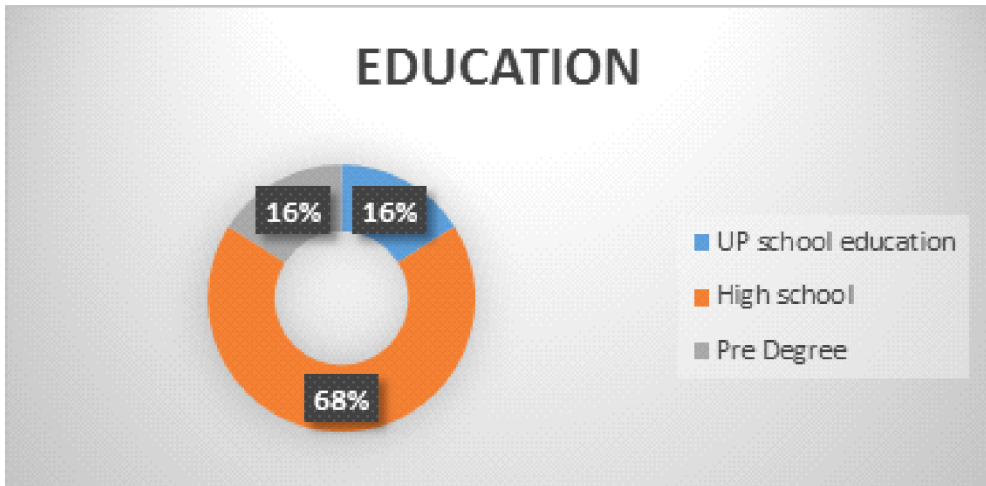


Figure 2
Age wise classification



As per the above figures, majority (54 per cent) of the members in Self Help Groups are in the age group of 36 to 45 and 43 per cent of the members are in the age group of above 45. In education level 68 per cent of the members are in High School level and rests of them are in below and above the high school level.

The table 2 shows the various benefits received form Self Help Grroups in rank order. Important benefits received from the Self Help Group is to improve the saving habits among its members. The economic independence of women got only the fifth rank position. It will indicates that, the objective of economic freedom of women through SHGs was not a reality.

Testing of Hypothesis

Ho - There is no significant relation between the Educational Qualification of the respondents and their Changes in Financial Behavior after joining the SHG.

H1 - There is significant relation between the Educational Qualification of the respondents and their Changes in Financial Behavior after joining the SHG.

Interpretation

Since the significant value is less than 0.01, the null hypothesis is rejected. Thus there is significant relation between the Educational Qualification of the respondents and their Changes in Financial Behavior after joining the SHG.

FINDINGS

- Savings habit is the first preference of the members from among the various other benefits of SHG groups, followed by freedom from debt and asset ownership.
- Loans taken were mainly utilized for household and educational purposes. Only a less proportion

Figure 3
Purpose for Loan Amount is Utilized

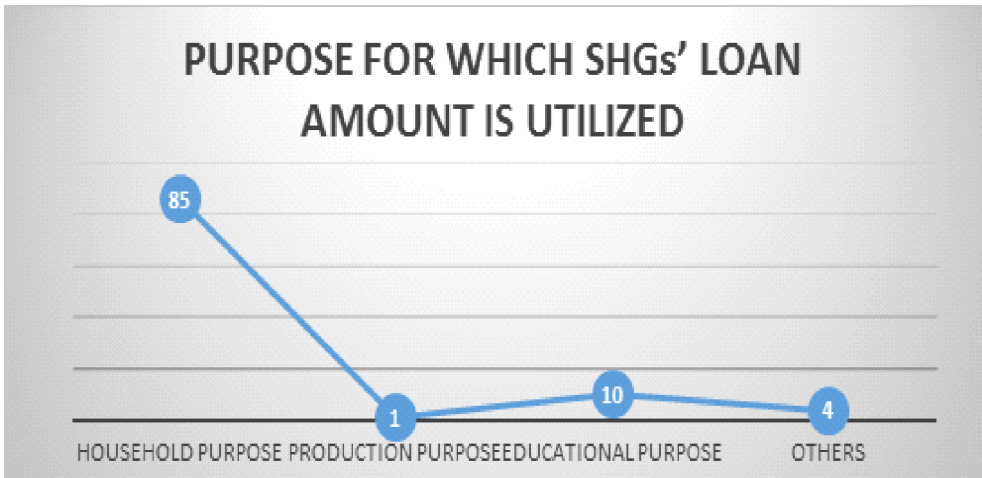


Table 2
Benefits Received from the SHGs

Sl. No.	Benefits	Rank
1	Savings habit	1
2	Freedom from debt	2
3	Asset ownership	3
4	Social cohesion	4
5	Economic independence	5
6	Self confidence	6
7	Others	7

was used for production and other purposes.

- Loans taken are being repaid on a monthly basis.
- The SHGs helped the respondents with increased credit-worthiness to have a better access to financial institutions like banks, insurance, credit agencies, etc. The SHGs also encouraged the women to save and get acquainted with banking and financial transactions.

- Majority opinioned that improvement is needed in fund utilization, that is, the funds should be used mainly for productive purposes.
- Saving habits is one of the important benefits received after joining the Self Help Groups.
- Educational Qualification has a major role in changing the financial behavior of the members in Self Help Groups.

Table 3
Descriptive Statistics

	Mean	Std. Deviation	N
Educational Qualification	2	0.56854	100
Final Financial Behavior	4.31	0.34837	100

		Educational Qualification	Final Financial Behavior
Educational Qualification	Pearson Correlation	1	-.268**
	Sig. (2-tailed)		0.007
	N	100	100
Final Financial Behavior	Pearson Correlation	-.268**	1
	Sig. (2-tailed)	0.007	
	N	100	100

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

SUGGESTIONS

- Measures to attract the illiterate and the poorest section of the rural people to SHG have to be taken.
- Small responsible jobs requiring collective effort may be entrusted to SHGs thus helping the members to earn additional income.
- Attractive saving schemes and insurance schemes, if introduced for SHG members, will enhance their thrift habit.
- Adequate training must be provided to the members. Moreover, income generating activities at the individual and group level has to be promoted.
- A system for monitoring the functioning of the groups, checking the registers and accounts and auditing the accounts periodically has to be introduced.

CONCLUSION

All the factors are leading to the empowerment of peoples especially in rural areas and thus making them familiar with the recent trends in the economy. SHGs can play an effective role in achieving the long cherished objectives of poverty alleviation and rural development through their diversified programmes. The formation of common interest groups had a substantial impact on the lives of its members. Empowerment of members and the inculcation of financial training and discipline amongst the poor will undoubtedly have long term socio-economic benefits. Hence for a better developed India the rural society should be transformed into a highly organized society.

The SHGs can play a major role in building up unity and togetherness in work and in search of new opportunities. Thus the study reveals the role played by

SHGs in financial empowerment of a society. The SHGs have worked as platforms for financial intermediation during initial years of inception and later emerged as institutional set-up to address and to resolves the problems to ensure empowerment of women. Therefore,

Women Empowerment enables them to have control on economic resources and decision-making. Moreover, encourage women to involve in training and such other activities to boost their morale, self-esteem, awareness about social and gender equality.

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HUMAN RESOURCE AUDIT - AN IMPERATIVE PROSPECT TO EXCEL

*Dr. Hari K, **Swathi Hari

Abstract

An organisation cannot build a good team of working professionals without good Human Resources. Human Resource Audit is a cyclic review to determine the competence and efficiency of Human Resource Management. Human Resource efficiency tools such as HR audit are concerned with the examination and evaluation of the policies, procedures and practices with reference to the human resource of the organization. Although there is no legal obligation to conduct HR Audit, it is considered important for improving the performance of human resource, controlling the cost of labour and meeting the challenges of the trade union. In addition to recognizing areas of legal risk, audits often are intended to provide a company with information about the competitiveness of its HR strategies by looking at the "best practices" of other companies in its industry. An HR audit involves understanding issues and finding clarifications to inconvenience prior to the stage of being termed as unmanageable. It is a prospect to assess what an organization is doing right, as well as how things might be done differently, more efficiently or at a reduced cost. The entire process of HR auditing is broadly segmented 4 phases i.e. pre-audit information, on-site review, records review, and audit report.

Key words:- HR Audit, Audit Process, Efficiency Tools, Audit report, Employee Motivation.

Human resources' also alternatively called as 'Human Capital' is the group of people who make up the workforce of an organization, business sector, or economy. Valuable employees are held in an organization and also certain

aspects such as organizational culture, policies, benefits, compensation, and employee relation are maintained with the aid of human resource management.

HR sets up strategies, produces policies, systems, standards and procedures. Pioneering economist John

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R. Commons used the term “human resource” in his 1893 book **The Distribution of Wealth** but did not further build upon it. The scholar fraternity’s first use of “human resources” in its modern form was in a 1958 report by economist E. Wight Bakke. The term began to become more developed in the 19th century.

An organisation cannot build a good team of working professionals without good Human Resources. The key functions of the Human Resources Management (HRM) team include recruiting people, training them, performance appraisals, motivating employees as well as workplace communication, workplace safety, and much more. Valuable employees are held in an organization and also certain aspects such as organizational culture, policies, benefits, compensation, and employee relation are maintained with the aid of human resource management. HR sets up strategies, produces policies, systems, standards and procedures. Any subject matter may be audited. Audits provide third party assurance to various stakeholders that the subject matter is free from material misstatement. The term is most frequently applied to audits of the financial information relating to a legal person. An audit is a systematic and independent examination of books, accounts, statutory records, documents and vouchers of an organisation to ascertain how far the financial statements as well as non-financial disclosures present a true and fair view of the concern.

Meaning and Definition of HR Audit

The word “audit” originates from the Latin verb *audire*, which means, to listen. Listening involves an attempt to be familiar with the state of the affairs as they exist and as they are assured to exist. Auditing as a formal process is ingrained in this attribute of listening. It is a basic investigative tool to estimate not only the current status of things but also the gaps between the current status and the desired status in the area that is being audited. Human Resource Audit is also a methodical formal process, which is intended to scrutinize the strategies, policies, procedures, documentation, structure, systems and practices with respect to the organization’s human resource management. It systematically and scientifically assesses the strengths, limitations, and developmental needs of the existing human resources from the larger point of view of enhancing organisational performance.

The American Accounting Association’s Committee on Human Resource Accounting (1973) has defined Human Resource Accounting as “The process of identifying and measuring data about human resources and communicating this information to interested parties”. The human resource audit is based on the foundation that human resource processes are dynamic and must continually be revitalized to remain responsive to the ever changing needs. Human Resource Audits are not routine practices aimed at problem solving. Instead of directly solving problems, HR audits, like financial audits,

help in providing insights into possible causes for current and future problems.

HRA, thus, not only includes measurement of all the costs/ investments associated with the recruitment, placement, training and development of employees, but also the quantification of the economic value of the people in an organisation. An effective HR audit helps in recognizing actual need for enhancement and enrichment of the HR function. It clearly directs the organization in maintaining conformity with ever-changing rules and regulations. HR audit, therefore, helps in analyzing the gap between ‘what is the current HR function’ and ‘what should be the best possible HR function’ in the organization. Owing to the multitude of laws involved and impacting each stage of the employment process, it is tremendously vital for an employer to recurrently conduct an HR analysis of their policies and practices. This helps to identify regulatory compliance issues if they exist and evade pricey fines and lawsuits, if otherwise ignored. Human resource audits are a fundamental means of avoiding legal and/or regulatory liability that may arise from a company’s HR policies and practices.

In addition to recognizing areas of legal risk, audits often are intended to provide a company with information about the competitiveness of its HR strategies by looking at the “best practices” of other companies in its industry. The shifting scenario of HR management demands that HR professionals contribute fully to their companies as proper strategic business partners. An audit will help a company understand whether

its HR practices help, hinder or have little impact on the organization’s business goals. The audit also helps quantify the results of the department’s initiatives and provides a roadmap for necessary changes.

Foundation of HR Audit

The usually carried out audits are the recognized and common accounting audits in accordance with precise statutory regulations. Nevertheless, in the case of human resource audits, there is no legal obligation, but enlightened managements have voluntarily accepted its usefulness depending upon the circumstances. Accordingly, an HR audit involves understanding issues and finding clarifications to inconvenience prior to the stage of being termed as unmanageable. It is a prospect to assess what an organization is doing right, as well as how things might be done differently, more efficiently or at a reduced cost.

In today’s competitive ambience, companies function within the boundaries of a profoundly regulated employee environment. These comprise of dealing with innumerable complex laws and regulations. The scope of the HR function includes establishing and administering a host of policies and practices—many of which involve compliance implications—that significantly influence the productivity and profitability of the enterprise. Human resource audits connect a company’s strategic behaviour to take a deliberate look at its HR policies, procedures and practices. This type of inclusive review of the company’s existing situation can help to categorize whether specific practice areas or processes are adequate, legal and/

or effective. The results attained from this review can facilitate to identify gaps in HR practices, and these gaps can then be prioritized for concentration in an effort to minimize lawsuits and/or regulatory violations, as well as to achieve and maintain world-class competitiveness in key HR practice areas.

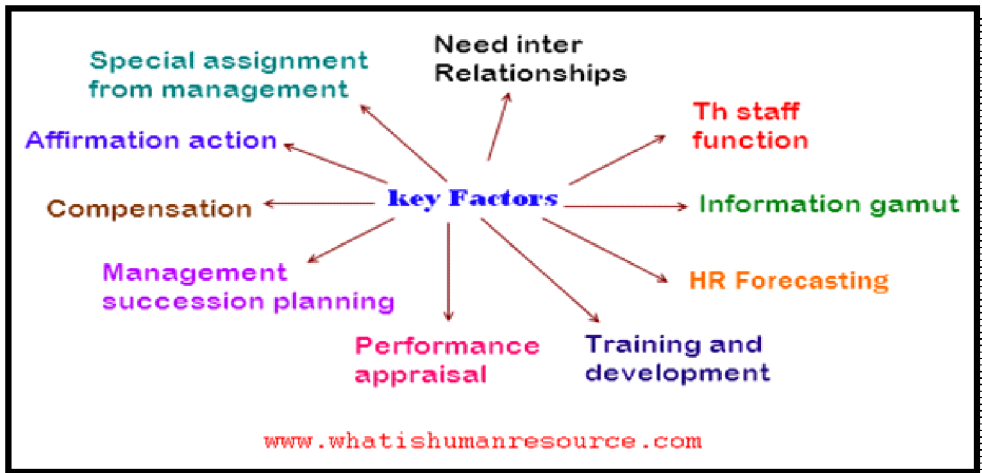
The principle of an HR Audit is to identify strengths and recognize any needs for development in the human resources function. An appropriately performed Audit will reveal problem areas and provide recommendations and suggestions for the remedy of these problems. The foremost objectives behind carrying out an HR Audit are:

- Ensuring the efficient utilization of the organization's human capital.
- Making out the best possible use of internal resources and maximizing the effectiveness of human capital in the organization.
- To review the performance of the Human Resource Department and its relative activities in order to assess the effectiveness on the implementation of the various policies to realize the Organizational goals.
- To identify the gaps, lapses, irregularities, short-comings, in the implementation of the Policies, procedures, practices, directives, of the Human Resource Department and to suggest remedial actions.
- Instilling a sense of confidence in management and the human resources function
- Maintaining the organization and the department's reputation in the community.
- To suggest measures and corrective steps to rectify the mistakes, shortcomings if any, for future guidance, and advise for effective performance of the work of the Human Resource Department.
- To know the factors which are detrimental for the wrong implementation of the planned programmes and activities.
- To evaluate the Personnel staff and employees with reference to the various reports and suggest suitable recommendations for improving the efficiency of the employees.

An audit reminds members of HR department and others its contribution, showing up a more professional representation of the department amongst managers and other specialists. The audit helps elucidate the department's responsibility and leads to better uniformity, particularly in the geographically scattered and decentralized HR function of large organisations. Therefore most important, it finds problems and ensures compliance with a variety of laws and strategic plans in an organization.

Process of HR Audit

The top management has to clearly ascertain the terms and scope of the audit precisely before the external firm to make the audit successful. This includes defining the exact purpose of audit, viz. examining compliance with legal requirements and



organization’s policies, identifying problem areas to avoid crisis situation with appropriate planning, analyzing ways to better serve the needs of relevant parties – employees, partners or society, measuring the work processes, seeking HR related opportunities available within the organization, dealing with situation of merger and acquisitions, etc.

Principal components of the HR system which are generally audited comprise – documentation, job descriptions, personnel policies, legal policies, recruitment and selection, training and development, compensation and employee benefit system, career management, employee relations, performance measurement and evaluation process, termination, key performance indicators, and HR Information Systems (HRIS). The entire process of HR auditing is broadly segmented 4 phases i.e. pre-audit information, on-site review, records review, and audit report.

The initial three phases involve wide-ranging collection of quantitative as well

as qualitative information. The method for compilation of information depends upon the size of the target audience, availability of time and type of data to be collected. The pre-audit information phase includes a review of the organization’s policies, HR manuals, employee handbooks, reports, etc. which form the basis of working in the organization. The next phase of on-site review, involves questionnaires, interviews, observation, informal discussions, surveys, or a combination of such methods to get the necessary inputs from the members of the organization. The records review phase requires detailed scanning of current HR records, employees’ files, employee absenteeism and turnover statistics, notices, compensation claims, performance assessments, etc.

An HR audit reviews an organization’s critical human resources functions to determine the organization’s observance with state and federal regulations. The HR Audit can be executed in the following steps –

- Determine the scope
- Develop a plan
- Gather and analyze the data
- Produce a report

They are elaborated as –

1. Determine the Scope

The primary step of performing an HR audit is to define the range and extent of the audit. If the HR audit is been conducted for the very first time, a broad review of the entire policies and procedures framework is advantageous. Moving ahead, organization may decide to conduct audits that focus on precise HR functions, which are believed to be very basic yet critical like payroll maintenance, leave policies etc. The subsequent key task is to formulate a team for HR audit; team members might comprise of representative from each HR discipline, such as compensation and benefits, recruitment and selection, training and development, employee relations and safety and risk management.

2. Develop a Plan

The next assignment is to develop a plan for conducting the audit. Categorize the objective of the audit, assemble the audit team and create a timeline for completing the audit. Identify area of the audit that is contingent upon the completion of another area. For example, if the employee relations segment of the audit requires information from finished portions of the compensation and benefits portion, establish the order in which specific areas must be completed. A preparatory meeting of key staff

members has to be arranged for the briefing of the audit. This would include discussions on – the selection of particular issues considered to be significant, charting out exact audit procedures as per need of the organization and developing strategy and outline with a proper schedule of audit.

3. Gather and Analyze the Data

Collect HR process documents and standard operating procedures, if they exist. Any documentation and records connected to how HR staff process employee requests, applicant information, medical or health information and payroll matters. In case of outsourcing of HR functions, assemble information from outsource providers and determine reliability with in-house functions. In this case also obtain information from the internal staff associate who administers the outsourced functions and scrutinizes the providers for quality assurance. The data would also aimed to be collected through proper detailed interview sessions with the related HR team comprising of key managers, functional executives, top functionaries in the organisation, and even employees' representatives, if necessary. The aim would be to pinpoint issues of concern, present strengths, anticipated needs and managerial philosophies on human resources. The audit team should also review current and potential legal conducts.

4. Produce a Report

After all of the essential information has been analyzed, the final phase is to draft a report with the findings of the audit. This report must clearly record the

strength and weaknesses established during the audit, as well as propose recommendations to overcome instances of noncompliance. Similar to the planning meetings, the drafted outcomes of the audit are to be discussed through numerous rounds with the managers and staff specialists. Through this step, the issues that get crystallized are brought to the notice of the management in a formal report. The audit report is a complete narrative explanation of HR activities that includes both recommendations for effective practices and suggestion for improving practices that are less effective. An identification of both good and bad practices is more objective and encourages wider acceptance of the report. An audit report contains several sections. Usually it is confined to 3 sections viz. One part is for line managers, another is for managers of specific HR functions, and the final part is for the HR managers.

Benefits of HR Audit

When a company institutes itself in the marketplace, it relies upon its employees to facilitate this activity. Employees characterize one of the most important assets a company has; protecting that fundamental category of assets is the responsibility of the human resources department. Depending on the requirements of the respective company, HR audits assess the department's effects, services and its place in the achievement of company goals and objectives. To assess the proficiency of a company's human resource department, senior management may necessitate an HR audit.

Senior management can utilize the audit report for making the essential

transformations and evaluate its general approach to the human resources function. The management team can choose the general purpose for the audit, which may be singular or multipronged. A well-executed HR Audit will divulge gap areas that can potentially lead to costly legal disputes and governmental fines. It is desirable to accomplish an HR audit once every year. One of the major objectives can be to evaluate the human resource function in context of employee retention. Moreover, conducting an HR Audit after a noteworthy alteration in the organization (such as reconstruction, expansion, or deduction in force), will facilitate identification of precise practices and emphasize function that essentially necessitate a tedious task of modification. Few of the major benefits of HR Audit are-

- HR audit which would be intended on an inclusive basis, leads to progress in quality of products and services marketed by the organization, with long term benefits.
- It identifies the contributions of the HR department.
- It improves the professional image of HR department.
- It can analyze failures and assign responsibilities logically. It alleviates the organization from politics, blame-game and excuses for non performance, bringing in a new culture of professionalism.
- It encourages greater responsibility and professionalism amongst members of HR department.

- It classifies the HR department's duties and responsibilities.
- It stimulates uniformity of personnel policies and practice.
- It identifies critical personnel problems.
- It ensures timely compliance with legal requirements.
- It reduces human resource costs.
- Identify the unwritten practices and the ascertainment whether there are any legal risks associated with those practices
- Gauge whether procedures and practices are user friendly and what changes can be made to help assure broader compliance
- Identify opportunities for new policies or procedures that will help minimize risk
- Determine whether record-keeping practices are being followed
- Identify where additional training or communication would be helpful for compliance

Conclusion

HR audit consequently is a comprehensive review of all human aspects of an organization such as quality and numbers, structure and systems, skills and attitudes, and how appropriate are they, for short term and long term goals of the organization. This evaluation should endorse that all aspects of HR is in line with the vision and mission

statements of the organization. Unfortunately, today's work environment focuses more on getting things done without working on the inner problems of individuals. The significance of a HR audit is that it recognizes the importance of creating the right environment and thereby facilitating long term productivity improvement. It scrutinizes all aspects of human resources and hence, can activate spectacular enhancement. The most perceptible assistance would be improved productivity more than offsetting the cost of the audit.

A successful HR audit will conclude in a well-organized report. Whether an audit is completed progressively or in single go, the imperative thing is to have a process in place that ascertains the time and funds spent on generating detailed HR programs does not go in vain because they are out-of-date, insufficient, or simply are not followed. In the present competitive business atmosphere, the companies in diverse industries are struggling to improve their competence level to survive in the market. The performance of an organization can be enhanced only through improved employee performance. Recruitment, training, compensation, conflict management and motivation all these are common functions of Human resource management. All these functions/activities have to be reviewed and evaluated in order to ensure the efficient HR policies and management system. The Human Resource Management's climate has an impact on employee motivation, morale and job satisfaction.

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WHETHER COIR WORKERS HAVE ENOUGH BANKING LITERACY? A STUDY AMONG COIR WORKERS IN ALAPPUZHA DISTRICT

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Abstract

The advancement in technology and new reforms has simultaneously increased both the number of banks (both private and public) and banking products. It also made the banking transactions so easy and even at our finger tips. Banks especially private and new generation banks are now ready to provide services even at door steps. This trend in most cases led to over indebtedness among the coir workers by availing loans without looking in to its after effects. These workers who are striving to make their both ends meet are actually depending on new debt to get rid of the old one. Continuing this dependence without knowing the interest rate, total amount paid and additional burden created through the current debt is actually pulling them to more financial stringency. This may be due to the lack of proper financial literacy among these poor workers. This study mainly focuses on the banking awareness among the coir workers.

Key words:- Banking, New generation banks, Financial literacy, Coir workers, Technology.

*I*t is the era of innovative banking products and facilities. The advancement in technology and new reforms has simultaneously increased both the number of banks (both private and public) and banking products. It also made the

banking transactions so easy and even at our finger tips. Banks especially private and new generation banks are now ready to provide services even at doorsteps.

Technology eliminated or reduced the need of waiting at the banks' counter through establishing ATM, passbook

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printing mechanism, internet banking etc. As per the 2011 census, around 70 per cent of the total population is living on rural area. As far as the people in rural area are concerned, they are not much informative about the banking functions like urban people. Kerala is a state which is famous for their traditional coir industries which provide employment to a wide group of people living in rural coastal area. Workers working in this field are coming from financially back ward strata and even unbanked people are still living in these areas. Lack of proper awareness and accessibility towards the banking facility is actually leading them to more vulnerable situations.

REVIEW OF LITERATURE

Selcuk (2014) in his article studied the impact of financial knowledge on the financial behaviour of individuals. The study was conducted among students, working adults and retirees. The three dimensions of financial literacy were clearly pointed out. The researcher identified the key determinants of financial literacy as demographic variables, socio economic variables, psychological variables and motivational factors.

Sreevidhya (2016) studied the effectiveness of Financial Literacy and credit counselling Programme of Federal Bank by analysing the responses among the beneficiaries in Mararikulam FLCC. A sample of 40 beneficiaries was selected at random from 668 beneficiaries. The study proved that the programme has made a positive impact on the financial knowledge of the beneficiaries.

Amagir et al. (2018) in their article pointed out that the school based financial

awareness programs has positive effect on adolescent's financial knowledge and attitudes. According to them, the most promising system to impart financial awareness among the students is experiential learning system. Also, while educating college students, life events should be given priority.

SIGNIFICANCE AND SCOPE OF THE STUDY

Growing banking products and consumerism persuaded many of the poor coir workers to avail debt for meeting their equally growing day to day needs. This trend in most cases led to over indebtedness among the coir workers. They are actually depending on new debt to get rid of the old one. Continuing this dependence without knowing the interest rate, total amount paid and additional burden created through the current debt is actually pulling them to more financial stringency. This may be due to the lack of proper financial literacy among these poor workers. Hence an attempt has been made to know how far these workers are aware about the banking services and facilities.

The scope of the present study is limited to the awareness level of those coir workers who are engaging in the spinning sector of the coir industry in Alappuzha district.

OBJECTIVES

1. To analyse the awareness level of coir workers on the general banking services and functions.
2. To analyse the awareness level of coir workers on the customer-oriented matters.

3. To analyse the awareness level of coir workers on other banking services which are not covered under above two objectives.

METHODOLOGY

The study is based on both primary and secondary data. The primary data was collected from 150 sample respondents who were selected by random sampling method from a population of 15000 coir workers in Alappuzha district. Secondary data was collected from books, journal etc.

ANALYSIS & INTERPRETATION

I. Awareness of coir workers on general banking functions & services

The awareness of respondent workers on general banking functions and services were analysed in this section. The table 1 shows that, in the case of awareness level on banks and its functions 15 per cent of the respondents are completely unaware. And more than half of the respondent works are fully aware. Regarding the banking hours, 63 per cent have full awareness about function of banks between 9.30 am and 3.30 pm. In that case also 21 per cent have only less awareness and 16 per cent have no awareness. In the case of banking services and banking transactions, the awareness level is more or less same. Majority of them have no awareness, only around 10 per cent have complete awareness on both cases.

II. Awareness of coir workers on customer-oriented matters

The awareness of respondent workers on customer-oriented matters are

analysed in two heads viz. awareness on deposits and awareness on loans related matters.

a. Awareness on deposits related matters

A detailed analysis of the level of awareness on the deposit related matters shows that only nominal percentage of the respondent workers are fully aware of the deposit related matters. 100 per cent respondents are completely unaware of the interest rate on their deposits. Majority of the respondents have no knowledge regarding various types of deposit & its features (71 per cent), fine on not maintaining minimum balance (43 per cent), higher interest rate on fixed deposit (51 per cent), extra charges on mobile message facility (62 per cent) and limits on ATM withdrawals (91 per cent).

b. Awareness on Loans Related Matters

In the case of loan related matters, the responses of workers are almost similar to the awareness on period deposits. Majority of the respondent workers are not aware of the various types of loan (90 per cent), terms and conditions of their loan (85 per cent), Interest rate of current loan (73 per cent), its repayment (56 per cent), division between principal and interest amount in monthly payment (85 per cent), and premature closure of loan account (62 per cent).

III. Other Information

Here respondent workers' awareness on banking information other than those covered under previous session was checked.

Table 1
Awareness level on general banking functions and services

Level Areas	Fully aware		Less aware		Not aware		Total	
	Count	%	Count	%	Count	%	Count	%
Banks & its functions	85	57	42	28	23	15	150	100
Banking hours	95	63	32	21	23	16	150	100
Banking services	15	10	26	17	109	73	150	100
Banking transactions	13	9	46	31	91	60	150	100

Source: Primary data

Table 2
Awareness on deposits related matters

Level Areas	Fully aware		Less aware		Not aware		Total	
	Count	%	Count	%	Count	%	Count	%
Various types of deposit& its features	3	2	41	27	106	71	150	100
Interest rate on your deposit	0	0	0	0	150	100	150	100
Fine on not maintaining minimum balance	21	14	64	43	65	43	150	100
Higher interest rate on fixed deposit	18	12	56	37	76	51	150	100
Extra charges on mobile message facility	12	8	45	30	93	62	150	100
Limits on ATM withdrawals	2	1	12	8	136	91	150	100

Source: Primary data

The literacy of coir workers on other banking services are also very low. The table depicts that majority of the workers are not aware about the validity of cheques (85 per cent), facility of exchanging toned notes (56 per cent), usage of automatic passbook printing machine (64 per cent), usage of ATM (54 per cent), banking ombudsman system (88 per cent), and security features of bank notes (90 per cent).

Findings

- More than half of the respondent workers are aware about the banks' functions and banking hours.
- Majority of the workers are not aware about the banking transactions and various services provided by the banks.
- Respondent workers have no much knowledge on the interest rate on

Table 3
Awareness on loan related matters

Level Areas	Fully aware		Less aware		Not aware		Total	
	Count	%	Count	%	Count	%	Count	%
Various types of loans & its features	0	0	15	10	135	90	150	100
Terms and conditions of their loan	2	1	21	14	127	85	150	100
Interest rate on your loan	8	5	33	22	109	73	150	100
Repayment period	11	7	55	37	84	56	150	100
Division between principal amount and interest amount in the monthly payment	0	0	22	15	128	85	150	100
Premature closure of loan account	12	8	45	30	93	62	150	100

Source: Primary data

Table 4
Awareness on other information

Level Areas	Fully aware		Less aware		Not aware		Total	
	Count	%	Count	%	Count	%	Count	%
Validity of cheques issued by banks	23	15	0	0	127	85	150	100
Facility of exchanging soiled or toned notes with the bank	22	15	44	29	84	56	150	100
Usage of automatic passbook printing machine	12	8	42	28	96	64	150	100
Usage of ATM	21	14	48	32	81	54	150	100
Banking ombudsman Scheme	0	0	18	12	132	88	150	100
Security features of bank notes	0	0	15	10	135	90	150	100

Source: Primary data

their deposits, advantages of fixed deposit, fine on lack of minimum balance, extra charges on mobile message facility and limits on ATM withdrawals etc.

- The awareness on loan related matters and other banking facilities are also poor in these coir workers. They are not known about their loan's interest rate, repayment period, how

much amount contributes to the principal amount from their monthly loan repayment period etc.

Conclusion

Coir workers who are coming from socially and economically back ward strata of rural Kerala are cycling on debt circle due to the lack of awareness about the general banking services and facilities. These workers have no knowledge even about the interest rate on their loan and deposit. Without knowing the additional

burden created through these loans, they are availing new loan for pulling their life. If they have proper awareness about the higher interest rate on their loan, amount credited on interest and principal account from their monthly instalment, additional burden creating by availing loans etc. they may try to reduce the dependence on further debt. Hence, efforts like Financial Literacy and Credit Counselling should be implemented among these workers to make them financially literate.

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CHANNELS FOR EMPLOYER BRAND BUILDING - A STUDY ON INFORMATION TECHNOLOGY (IT) COMPANIES IN KERALA

***Shiny Kochummen, **Dr. Suresh Kumar K S**

Abstract

The organizational importance for "Talent" has been growing significantly in the last decades. Among the many resources available "Human resource" is strategically the most important company resource, even though it cannot be expressed in numbers from a financial point of view." However, due to the demographic change, the increase of workforce mobility and the diversification of job descriptions, it is more difficult to find potential employees and to keep talented managers and specialists at any career-level as motivated employees within the organization. Therefore, the competition for finding and recruiting "Talent" has grown. "An employment brand is a new breed of marketing and is the most advanced form of social recruiting. The objectives of the study are to study the different channels to build an employer brand and to find out the most preferred reference source opted to choose the present organization.

Key words:- Talent, Human Resource, Work force Mobility, Employment

The organizational importance for "Talent" has been growing significantly in the last decades. Among the many resources available "Human resource" is strategically the most important company resource, even though it cannot be expressed in

numbers from a financial point of view." However, due to the demographic change, the increase of workforce mobility and the diversification of job descriptions, it is more difficult to find potential employees and to keep talented managers and specialists at any career-level as motivated employees within the

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organization. Therefore, the competition for finding and recruiting “Talent” has grown.

“An employment brand is a new breed of marketing and is the most advanced form of social recruiting. Brett Minchington, who authored the first book on employer branding defines it as, “The image of your organisation as a great place to work.” With Bret’s definition, employment branding is more than just social recruiting. It’s a new way to communicate, educate your audience and tell job seekers about your company through the eyes of the employee or prospective employee. Employment branding is thus a long term recruitment and candidate engagement strategy.

At the heart of the employment brand is a company’s career page where company information is shared, videos are housed and job seekers are able to search for job openings specifically at the company. The careers page is the centre of the employment branding solar system when building the Company’s employer branding strategy. The employer branding strategy and company career page is fuelled by nine primary channels that drive traffic, conversations and community surrounding your company’s recruiting and employment brand marketing.

Types of Channels to Build Employer Brand

Employee Referrals- Employee Referrals is a traditional candidate recruitment tool. We live and work in the new engagement economy where personal and professional testimonials and

recommendations make a difference today. These referrals are made even sweeter when employees receive compensation for sharing job openings to their friends, peers and family.

Social Media- Social media is not a stand along recruitment strategy. It’s one channel to drive engagements, relationships and conversations that happen around social media including Twitter, Face book, Google+ and LinkedIn.

Visual Effects-Visual branding like pictures and video are a great way to reach target audience in a photographic and interesting way. Visual social tools like Pinterest, Instagram, and YouTube can be used to help elevate your messaging speaking to a different audience than a blog post, press release, or transitional print media can and would.

Print- Although print has forever been changed as a result of social media and the internet, print can still be a powerful tool to build a brand especially when reinforcing online employment branding campaigns and messaging. Print while declining isn’t dead. There is something about holding a magazine, book or reading a traditional billboard that can send a powerful and meaningful message to the right candidate.

Other Websites- These other sites can be in the forms of blogs, news outlets or online communities like Glassdoor.com, Sales Gravy and TheDailyMuse.com.

Brand Ambassadors Brand ambassadors can be employees, advocates for the brand and partners who help

recruiters make contacts or speak positively as well as negatively about your company.. This includes bloggers and spokespersons who are paid and unpaid for brand evangelism opportunities.

Job Boards & Aggregators Job boards remain an important part of recruiting and employment branding strategy. While these tools often promote current job openings through their platforms, these sites remain important as candidates take a number of touches learning, exploring and engaging with your recruiting team before they make the buying decision to apply.

Career Events- Online resources, websites and tools are powerful but sometimes the best way to build relationships and brands is through career events including open houses, job fairs and informational sessions about your company.

Company's Career Site- It's the key to your employment brand as it's a destination point for all the channels described above, but it also remains a jumping off point for candidates to learn about your company which makes navigation, branding, and consistency so important that aligns with your company's marketing and customer branding strategies.

II. Statement of the Problem

“People and brands instead of machines.” This statement is the result of a panel discussion at the World Economic Forum in Davos on the success factors of the 21st century (Esch F., 2010) which perfectly highlights the two big challenges for businesses in the upcoming decades:

The need to create, communicate and maintain a brand in order to differentiate from competitors and to attract, develop and maintain talented and motivated employees are both crucial factors for success. Today, an effective employer brand is essential for gaining competitive advantage. Increasingly, Indian corporations are becoming intentionally strategic to utilize the employer brand to attract and retain talent for the expansion and growth. The increasing focus on competitive advantage is leading many Indian firms to rethink their employer brands. A powerful employer brand has the capacity to attract and retain talent and represent quality to its customers, with the goal of gaining global recognition in a sustainable manner.

IT sector is seriously handicapped on account of huge human capital deficit. Their employee compensation package, skill sets, restrictive deployment, performance management system are the major issues placing IT sector somewhat at a disadvantage. Some of the major HR challenges include building capabilities for the future; improving productivity and performance culture; building talent management practices; building succession for key critical and leadership positions, developing ownership, accountability, professional and institutional mechanism for sustained human capital management transforming HR function from legacy driven HR to developmental HR, etc.

- A strong employer brand helps to attract right-fit candidates while a bad employer brand can cause the best people to avoid your company. Recruiters are now taking a more

proactive approach to attract and find the best candidates—including those who aren't actively job searching. While it may seem impossible to compete with huge companies with prominent brand names, employer branding can actually be the secret weapon to attract candidates. In this context it is considered appropriate to conduct a study on employer branding and to find out the most preferred reference source opted to choose the present organization. **The problem is stated as** Channels for Employer Brand Building -A Study on Information Technology (IT) Companies in Kerala.

III. Objectives of the Study

- To study the different channels to build an employer brand.
- To find out the most preferred reference source opted to choose the present organization

IV. Literature Review

Berthon, Ewing & Hah (2005) proposed that the notion of employer attraction is closely related to the employer branding. In their research of attractiveness aspects in employer branding, recognized the characteristics of employee attractiveness, which in fact conduce to employment brand value and suggest five process to enhance a strong employer brand are Understanding the organization, Create a brand promise to employees, Develop standards to measure brand promise, Align all people practices to support and reinforce brand promise and Execute the measure.

Ewing et al. (2002) identifies and evaluates the components of employer attractiveness from the perspective of potential employees. They develop a scale for the measurement of employer attractiveness. Employees feel proud to be associated with organizational brands and they are more likely to remain as loyal employees. They conclude that, employees perform a critical part in brand image growth in the economic and service industry or in any other sector. It is therefore critical to recruit the right type of staff, as is the employer's brand image on the hiring market.

In the study "Employer Branding: A Relevance and Scope Study," **Shukla and Shrivastava (2013)** claims that an attempt to study the dynamics of employer branding. For the purpose they tried to undertake a preliminary research of present developments in employer branding efforts expressed in a newspaper's recruitment advertising. A perception-related study in the concerned region will contribute greater understanding of employer branding and also focus on understanding the traits of employer branding.

V. Research Methodology

The study is based on primary and secondary data. The primary data is collected from selected employees from IT sector companies by using a structured interview schedule. The secondary data is collected from various books, journals, published works, unpublished works. Stratified random sampling is applied for selection of the required number of employees. Data collected is used for comparative analysis.

VI. Data Analysis and Interpretation

Data were collected from 330 respondents spread across the three Information Technology (IT) firms in Kerala. The following table gives the relevant details of the sample respondents according to their demographic profile.

Demographic Profile of the selected employees by type of Company

Gender of the Employees by Type of Company

Women’s participation in IT is higher both in comparison to other sectors in the country, and in comparison, to representation in the sector in other countries. Women constituted 21 per cent of the total IT workforce in 2001 (NASSCOM 2001), increasing to about 30 per cent in 2012 (NASSCOM 2013, cited in Gupta 2015). At present, for FY 2017–2018, the IT and ITES sector employs 34 per cent women according to Ministry of Electronics & Information Technology. This is higher than the 20.5 per cent average level of female

participation in the formal economy in 2011, for which statistics are available (OGD 2012–2015) and higher than either in public or private sector separately.

From table 1.1, it can be seen that out of the selected employees there are 82 percent males and 18.4% females in the IT sector, while in ITES there are 81.6 percent males and 18.2percent females. So, majority of the IT professionals are males.

Age of the Employees by Type of Company

A techie who is 40 years old, and not in step with swiftly changing times, his professional future could be bleak. India’s information technology (IT) sector is being redrawn by new-age trends such as automation, artificial intelligence and cloud computing. Emerging technology poses a big threat to jobs and companies. It can force companies to rationalise workforce and even finish certain jobs.

As per table 1.2 out of the selected IT professionals more than half (63.6 percent) belong to the age group 26-35.

Table 1.1
Gender of the Employees by Type of Company

Type of Company		Gender		Total
		Male	Female	
IT	Count	155	34	189
	Percentage	82.0%	18.0%	100.0%
ITES	Count	115	26	141
	Percentage	81.6%	18.4%	100.0%
Total	Count	270	60	330
	Percentage	81.8%	18.2%	100.0%

Source: Primary Data

Table 1..2
Age of the Employees by Type of Company

		Age			Total
		26-35	36-45	46-55	
IT	Count	33	29	127	189
	Percentage	17.5%	15.3%	67.2%	100.0%
ITES	Count	27	31	83	141
	Percentage	19.1%	22.0%	58.9%	100.0%
Total	Count	60	60	210	330
	Percentage	18.2%	18.2%	63.6%	100.0%

Source: Primary Data

18.2 percent belong to the age group 36-45. The remaining 18.2 percent belonged to the age group 46-55. So, majority of the IT professionals belong to the age group 26-35.

Educational Qualification of the Employees by Type of Company

Educational qualifications are the degrees, diplomas, certificates, professional titles and so forth that an individual has acquired whether by full-time study, part-time study or private study, whether conferred in the home country or abroad, and whether conferred by educational authorities, special examining bodies or professional bodies.

The acquisition of an educational qualification therefore implies the successful completion of a course of study or training program.

The table 1.3 indicates that out of the selected IT professionals in IT sector 59.8

percent were graduates and 13.2 percent were postgraduates and 27 percent hold diploma. Also, in case of ITES 56% were graduates and 20.6% were postgraduates and 23.4% were diploma holders. So, majority of the IT professionals are graduates.

Place of Residence of the Employees by Type of Company

Despite of other states in India both the urban and rural population respectively have a similar outlook. The infrastructure and public transport of Kerala is strong enough to motivate the people to stay in rural areas as like in urban areas. The distribution of IT professionals according to their Residence is shown in table 1.4.

From table 1.4 it can be seen that majority of the selected IT professionals were hailing from urban areas 61.4 percent in case of IT sector and 58.2 percent in case of rural areas.

Table 1.3

Educational Qualification of the employees by Type of Company

Type of Company		Educational Qualification			Total
		Graduate	PG	Diploma	
IT	Count	25	113	51	189
	Percentage	59.8%	13.2%	27.0%	100.0%
ITES	Count	29	79	33	141
	Percentage	56.0%	20.6%	23.4%	100.0%
Total	Count	54	192	84	330
	Percentage	16.4%	58.2%	25.5%	100.0%

Source: Primary Data

Table 1.4

Residence of the Employees by Type of Company

Type of Company		Place of Residence		Total
		Rural	Urban	
IT	Count	73	116	189
	Percentage	38.6%	61.4%	100.0%
ITES	Count	59	82	141
	Percentage	41.8%	58.2%	100.0%
Total	Count	132	198	330
	Percentage	40.0%	60.0%	100.0%

Source: Primary Data

Reference Source Opted to choose the present organization.

An attempt is made to assess reference source opted to choose the present organization. To evaluate conformity of the respondents with the identified variables they were asked to provide their responses on a five point

Likert Scale .They were Campus Recruitment, Walk-in-Interviews, Referrals, Job Mela, Advertisement, Friends and Relatives, Through an employment agency, Body shopping, Company website, Professional Associations, Internship, Job Portals and Data Bank.

It is proposed to identify the most decisive factor among the identified variables and the method used is MDS-ALSCAL. The results are reported as under. A point in a multi-dimensional space represents each object or event. The points are arranged in this space in such a way that the distance between the points have the strongest possible relation to the similarities among the pairs of objects i.e. 2 points that are close together represent two similar objects and two points that are far apart represent two dissimilar objects. It is used to identify the dimensions by which the objectives are perceived or evaluated to position the objects with respect to these dimensions and to make positioning decisions. The

accuracy of this procedure is measured by 2 quantities.

1. Stress (Kruskal's) function Degree of correspondence between the distances among points on the MDS map and matrix input by the user is measured (inversely by a stress function). Range 0-1 (smaller stress)-better representation) Rule Of Thumb <0.1 is excellent >0.15 is not tolerable.
2. R² (RSQ)-This measures the proportion of variance of the disparities accounted for the Multi-Dimensional Model. $R^2 > 0.6$ is considered as an acceptable fit

Table 1.5

Stimulus Co-ordinates of Reference source opted to choose the present organization

Stimulus Number	Stimulus Name	Dimension 1	Dimension 2
1	Campus Recruitment	1.0506	1.2406
2	Walk-in-Interviews	-1.1063	.4475
3	Referrals	-1.1063	.4475
4	Job Mela	-1.1063	.4475
5	Advertisement	1.0506	1.2908
6	Friends and Relatives	1.6502	-.3899
7	Through an employment agency	1.8592	-.3899
8	Body shopping	-.5067	-1.1830
9	Company website	-1.1063	.4475
10	Professional Associations	1.6502	-.3899
11	Internship	-.5067	-1.1830
12	Job Portals	-.5067	-1.1830
13	Data Bank	1.1063	.4475

Source: Primary Data

The table 1.5 explains 98.4 percent of variability (RSQ=0.984) and the stress is also small (0.0085) and so we can find that the result is very consistent. The model reveals the perceptions of the respondents regarding the perception on the reference source opted to choose the present organisation.

“Through an employment agency” (with positive co-efficient of 1.8592) is the most powerful factor chosen as reference source as per the first dimension and “friends and relatives” (with positive co-efficient of 1.6502) is the second major reference.

“Advertisement” (with positive co-efficient of 1.2908) is the most powerful factor chosen as reference source as per the second dimension and “campus

recruitment” (with positive co-efficient of 1.2406) is the second major reference.

VII. Conclusion

Employees working in companies with strong employer brands are more motivated and engaged, which in turn lowers turnover rates. Employees can even become brand ambassadors. They can refer you to new candidates and create a positive impression through word of mouth, which helps improve employer brand without spending much on marketing. Employer branding is a smart business investment. Whereas a bad reputation costs quality applicants, a great employer brand means one can spend less on recruiting costs because people will naturally find and apply to open positions.

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